

# Guardrisk Motor Policy Wording

## Commercial Motor

## GENERAL EXCLUSIONS

### 1. STANDARD SAIA EXCEPTIONS

This insurance does not cover

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

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

- B. notwithstanding any provision of this insurance including any exclusion or extension or other provision not included herein which would otherwise override a General Exclusion, 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 clause B. of this General Exclusion, 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 Insurer alleges that, by reason of clause B. of this Exclusion, loss or damage is not covered by this insurance, the burden of proving the contrary shall rest on the Insured.

- C. 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.
- D. any loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by or contributed to by or arising from:
  - (i) ionising, radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
  - (ii) nuclear material, nuclear fission or fusion, nuclear radiation;
  - (iii) nuclear explosives or any nuclear weapon;
  - (iv) nuclear waste in whatever form;

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

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

- 2. The Insurer shall not be liable for any injury, loss, damage or liability
  - (a) while the vehicle is being used with the general knowledge and consent of the Insured for 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 but only insofar as this occurs with the general knowledge and consent of the Insured.
  - (b) occurring outside the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe, Mozambique, Zambia or Malawi, but the Insurer will indemnify the Insured against loss of or damage to any Vehicle while in transit by air or sea between any places in these territories including loading and unloading incidental to such transit.
  - (c) while any Vehicle is being driven by
    - (i) the Insured and where such accident results from his being 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)

- (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).
- (iii) the Insured while not licensed to drive such vehicle or any other person with the general consent of the Insured who to the Insured's knowledge is not licensed to drive such vehicle provided that any driver shall be deemed to be licensed to drive the vehicle if he is complying with the licensing laws relating to the territory in which the vehicle is being driven 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.

(c) whilst the Vehicle is being used in a condition which does not comply with the provisions and regulations of the National Road Traffic Act 93 of 1996, the National traffic Regulations 2000 and/or any other applicable or subsequent legislation and/or regulations providing for the use of motor vehicles on a public roadway in South Africa or similar legislation which applies to the countries specified as the territorial limits.

3. The Insurer shall not be liable for any claims arising from liability assumed by the Insured unless such liability would have attached to the Insured notwithstanding such agreement.

## GENERAL CONDITIONS

### 1. MISREPRESENTATIONS, MISDESCRIPTION AND NON-DISCLOSURE

Misrepresentation, misdescription or non-disclosure in any material particular shall render voidable only the particular item or Section of this insurance, 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 insurance, insurance exists with any other insurer covering the Insured against the Defined Events, the Insurer shall be liable to make good only a rateable proportion of the amount payable to the Insured in respect of such event.

### 3. CANCELLATION

This insurance may be cancelled at any time by the Insurer giving 30 days' notice in writing or by the Insured giving immediate notice. On cancellation the Insured shall (subject to the terms of General Condition 11), be entitled to claim a pro rata portion of the premium for the remainder of the Period of Insurance from the date of cancellation but cancellation shall not be dependent upon the prior payment of such refund of premium.

### 4. PREVENTION OF LOSS

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

### 5. CLAIMS

On the happening of any event which may result in a claim under this insurance which exceeds or is expected to exceed the Deductible, the Insured shall, at his own expense:

- (i) as soon as practicable after the event inform the police of any claim involving theft or, if required by the Insurer, loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property;
- (ii) record details thereof in the manner prescribed by the Insurer and give notice thereof to the Insurer as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured;
- (iii) as soon as practicable after the event submit to the Insurer full details in writing of any claim;
- (iv) give the Insurer such proofs, information and sworn declaration as may be required and immediately forward to the Insurer 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.

This condition shall be deemed to have been complied with if the information required in terms thereof is given within the time required to a loss adjuster appointed by the Insurer.

## 6. **INSURER'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 insurance, the Insurer and every person authorised by the Insurer may, without thereby incurring any liability and without diminishing the right of the Insurer to rely upon any conditions of this insurance,
  - (i) take 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 Insurer to do so. The Insured shall not be entitled to abandon any property to the Insurer whether taken possession of by the 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 Insurer;
- (b) The Insured shall, at the expense of the Insurer, do and permit to be done all such things as may be necessary or reasonably required by the Insurer for the purpose of enforcing any rights to which the Insurer shall be, or would become, subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification;
- (c) The Insurer may in the case of 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 Insurer shall thereafter not be under further liability in respect of such event except for the payment of costs and expenses for which provision is made and which relates to matters prior to the date of payment.

## 7. **FRAUD**

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

## 8. **BREACH OF CONDITIONS**

The conditions of this insurance 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.

## 9. **NO RIGHTS TO OTHER PERSONS**

Unless otherwise provided, nothing in this insurance shall give any rights to any persons 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 Insurer.

10. **ALTERATION OF RISK**

If during the currency of this insurance the risk shall change in any respect whereby the hazard is increased the Insured shall immediately inform the Insurer who will be entitled to review the terms of this insurance.

11. **ADJUSTMENT OF PREMIUM (only applicable to vehicles insured on a specified basis)**

If any vehicle is disposed of and another vehicle is substituted therefore, an adjustment of premium shall be made from the date of such substitution up to the expiry of the period of insurance.

11. **ADJUSTMET OF PREMIUM (only applicable to vehicles insured on an annual fleet basis)**

If any part of the premium for this insurance is based on estimates, the Insured shall submit to the Insurer at the end of each Period of Insurance a declaration of the actual value of vehicles in each category. If such values shall differ from the original estimate the premium shall be adjusted on the basis of 50% of the difference and shall become payable to or by the Insured.

12. **REFUND ON PREMIUM (only applicable to vehicles insured on a specified basis)**

If during the currency of this insurance a claim is settled on any of the following basis

- i. total loss
- ii. theft
- iii. replacement of vehicle (new for old extension)

no refund of premium shall be allowed for the unexpired period of insurance from the date of loss or damage. Should such vehicle be replaced (new for old extension) by the Insurer a full pro rata premium for the unexpired period shall become payable by the Insured to the Insurer.

13. **VEHICLE SECURITY SYSTEMS (see increased Deductible if not complied with)**

13.1 Vehicles with an insured value of R199 999 or less must be fitted with a SAIA approved Vehicle Security System (VSS) or VESA approved immobiliser or a VESA approved gearlever lock.

13.2 Vehicles with an Insured value in excess of R199 999 must be fitted with a Netstar, Tracker or Matrix or VESA approved tracking system.

14. **CONTINUATION OF COVER**

The premium is due in advance and, if it is not received by the Insurer by due date, this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance or from inception in the case of new contracts 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

- (a) every month
- (b) each third month
- (c) each sixth month
- (d) each twelfth month

following inception where premium is payable (a) monthly, (b) quarterly, (c) half yearly or (d) annually.

15. **PRESCRIPTION**

No claim shall be payable after the expiry of 24 months (or such further time as the Insurer may allow) from the happening of an event giving rise to a claim unless the claim is the subject of pending legal action or if a claim is for a loss in terms of Section 2 of this Policy.

16. **SANCTIONS EXCLUSION CLAUSE**

Insurers shall not indemnify and Insurers shall not be liable to pay any claim or provide any benefit hereunder where the indemnity, claim payment or provision of such benefit is contrary to the edicts, recorded principles, prohibitions or restrictions under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America irrespective of enactment in the jurisdiction where indemnity or benefit is provided or payment made.

17. **SELF-INSURED RETENTION – Aggregate Deductible  
Applicable to Sections 1, 2 and 3–**

After application of the Deductible the Insured shall bear the balance of the amount of any loss up to the maximum of the Occurrence Amount stated in the Schedule, provided that the Insured shall not be liable for more than the Annual Aggregate Amount stated in the Schedule in any 12 month Period of Insurance. If any circumstance where the Insured may be liable for more than one Occurrence Amount only the highest applicable Occurrence Amount will be payable.

**If the total amount of the Occurrence Amount is not absorbed by the loss, any independent loss adjusters' or similar fees shall also be payable by the Insured up to the limit of the Occurrence Amount.**

In the event of mid-term cancellation, shortening, or extension of the Period of Insurance, the Annual Aggregate Amount shall be adjusted proportionately.

**The Annual Aggregate Amount is eroded on a claims paid basis, i.e. for the purpose of determining whether or not a claim is payable in terms of the Aggregate, the payment is not off-set against the balance until actual payment is made.**

If the actual **value/number** of vehicles declared in accordance with General Condition 11 (Premium Adjustment) shall differ from the original estimate then the Annual Aggregate Amount shall be proportionally increased.



## GENERAL PROVISIONS

### 1. CLAIMS PREPARATION COSTS

This insurance is extended to include costs and expenses incurred by the Insured in producing and certifying any particulars or details required by the Insurer in terms of the Claims Condition or to substantiate the amount of any claim

#### **provided that**

the Insurer's liability in connection with any one source or original cause shall not exceed the amount as stated in the Schedule.

### 2. PAYMENTS ON ACCOUNT

In respect of admitted but unsettled claims, payments on account will be made to the Insured if required.

### 3. INTERESTS OF OTHERS

The interests of various parties in the property insured by this insurance are hereby noted without conferring any rights upon such parties under this insurance as Insureds.

### 4. DEDUCTIBLE

The Deductible is the first amount of any loss to be borne by the Insured and applies to each vehicle individually irrespective whether more than one Insured vehicle is involved in a Defined Event.

### 5. WAR AND TERRORISM

In respect of Sections 2 and 3 and any Vehicle insured under Section 1 lost or damaged outside the Republic of South Africa or Namibia, General Exclusion 1 A., B. and C. of this Policy is deleted and replaced by the following:

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

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

5.2 any act of terrorism.



For the purpose of this exclusion, an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) 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 Policy 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 5.1 and/or 5.2 above.

If the Insurer 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 any portion of this General Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

## SECTION 1 - LOSS OR DAMAGE

### DEFINED EVENTS

Loss of or damage to any Vehicle defined herein. If such Vehicle is disabled by reason of any loss or damage insured hereby, the Insurer will pay the reasonable cost of protection and removal to the nearest repairers. The Insured may give instructions for repairs to be executed without the previous consent of the Insurer to the extent of but not exceeding the sum stated in the Schedule for self authorisation provided that a detailed estimate is first obtained and immediately forwarded to the Insurer. The Insurer 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 always 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 Insurer in respect of such loss or damage but shall not exceed the retail value (Vat included) (Vehicle Definition 1.1) or market value (all other vehicle types) of the Vehicle and its accessories and spare parts therein or thereon at the time of such loss or damage
2. the Insurer may, at its 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 retail value (VAT included)
3. if, to the knowledge of the Insurer, 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 Insurer 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 Section, the Insured shall be responsible for the first amount, as reflected in the Schedule as the Deductible, of any expenditure (or any less expenditure which may be incurred) for which provision is made under this Section (including any payment in respect of costs, expenses and fees) and of any expenditure by the Insurer in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the Insurer shall include the Deductible, such amount shall be paid by the Insured to the Insurer forthwith.

## **BASIS OF SETTLEMENT**

Notwithstanding anything contained in this insurance to the contrary the Insurer agrees that

### **1. New for Old**

In respect of Vehicles as described in Definition 1.1 and commercial vehicles with a carrying capacity up to 3 500kg, the Insurer will, in lieu of making a monetary payment and subject to the consent of the Insured and of any other interested party known to the Insured, bear the costs for replacing the Vehicle with a new vehicle of the same make and model (subject to the availability thereof) if, within a period of 12 months after the date of the first registration of the Vehicle as new

- (a) the Vehicle is lost by theft or hijack and not recovered within a reasonable time after the theft or hijack was reported to the Insurer

or

- (b) damage is caused to the Vehicle to an extent greater than 70% of the retail value (VAT included) of the Vehicle at the time of such damage

provided that

- (i) the Vehicle has not travelled on average more than 3 000km per month from the date of such first registration;
- (ii) if the Vehicle is replaced as described above, the Insurer shall become entitled to possession and ownership of the lost or damaged Vehicle.

### **2. Credit Shortfall**

Subject to the adequacy of the limit of indemnity stated in the Schedule should any total loss settlement be less than the amount owing by the Insured to the financier under a current instalment sale or lease agreement, the Insurer will pay to the Insured an additional amount equal to the shortfall less

- (a) any arrear instalments or rentals including interest payable on such arrears;
- (b) any discount in respect of finance charges and interest for the unexpired term of such hire purchase or leasing agreement on a date not exceeding 30 days after the date of the loss or damage;
- (c) the Deductible.

### 3. Constructive Total Loss

In respect of Vehicles as described in Definition 1.1 and commercial vehicles with carrying capacity up to 3 500 kg the Insurer agrees that should damage be caused to an extent greater than 70% of the retail value (VAT included) of the Vehicle at the time of such damage the Vehicle will be treated on a total loss basis provided that upon settlement of the claim the Insurer shall become entitled to possession and ownership of the damaged Vehicle.

#### EXCLUSIONS APPLICABLE TO SECTION 1

The Insurer shall not be liable to pay for

- (a) consequential loss as a result of any cause whatsoever, depreciation, whether arising from repairs following a Defined Event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages;
- (b) damage to tyres by application of brakes or by road punctures, cuts or bursts;
- (c) damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities other than as specifically provided for herein;
- (d) loss or damage to any vehicle as a result of detention, confiscation or requisition by customs or other officials or authorities unless following a defined event for which indemnity is provided under this Section, provided that loss or damage occurring during such detention, confiscation or requisition, which is discovered on return of the vehicle to the Insured, is not hereby excluded.

## SECTION 2 - LIABILITY TO THIRD PARTIES

### DEFINED EVENTS

Any accident caused by or through or in connection with any Vehicle or in connection with the loading and/or unloading of such Vehicle, in respect of which the Insured shall become legally liable to pay damages including claimant's costs and expenses as a consequence of

- (i) 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, if the Insured is an individual, being a member of the same household as the Insured
- (ii) 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 Insurer will also (in terms of and subject to the limitations of and for the purposes of this Section)

1. pay all costs and expenses incurred with its written consent and shall be entitled at its discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this 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 Section, provided that the total of the Insurer's liability under both this extension and Section 2 shall not exceed the limit of indemnity stated in the Schedule to apply to Section 2.
2. indemnify any person who is driving or using any Vehicle on the Insured's order or with the Insured's permission, and/or any passenger provided that
  - (i) such person shall, as though he were the Insured, observe, fulfil and be subject to the terms, exclusions and conditions of this insurance in so far as they can apply
  - (ii) such person driving such Vehicle has not been refused any motor insurance or continuance thereof by any insurer
  - (iii) 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 vehicle not belonging to him and not leased or hired to him under a lease or hire purchase agreement provided the Insurer 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 Insurer shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.



## **THE LIMIT OF INDEMNITY**

Unless otherwise stated, the liability of the Insurer under this Section in respect of any one occurrence shall not exceed the limit of indemnity stated in the Schedule.

## **EXCLUSIONS APPLICABLE TO SECTION 2**

The Insurer shall not be liable under this Section in respect of

1. so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance or accident compensation enactment. This exclusion 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 other than a Vehicle as described in Definition 1.1 but this exclusion shall not apply to any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of any other Vehicle).
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.
4. cost incurred in connection with the cleaning up or removal of or otherwise handling anything of whatever nature which is or was carried in or on a vehicle insured in terms of this policy.



## **SECTION 3 - MEDICAL EXPENSES**

### **DEFINED EVENTS**

Accidental bodily injury to any occupant of any private type motor car or motorised caravan, or the permanently enclosed passenger carrying compartment of a commercial vehicle insured, other than a bus or a taxi, provided that the liability of the Insurer shall be limited to the payment of the medical expenses incurred as a result of such injury up to the sum stated in the Schedule in respect of each person injured, provided further that the amount payable under this Section shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.

The term medical expenses is deemed to include any costs incurred in connection with such occupant being freed from such vehicle or brought to a place where medical treatment can be given.



## **DEFINITIONS**

### **1. VEHICLE SHALL MEAN**

- 1.1 motor cars (including station wagons, kombis, minibuses, safari vans, and the like or similar vehicles designed to seat not more than 12 persons, including the driver)
- 1.2 commercial vehicles and special type vehicles
- 1.3 motor cycles (including motor scooters and 3-wheeled vehicles)
- 1.4 buses (designed to seat more than 12 persons, including the driver)
- 1.5 trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle

any such Vehicle being owned or used by or hired or leased to the Insured including any vehicle temporarily operated by the Insured as a replacement of any insured Vehicle out of use for the purpose of overhaul, upkeep or repair provided that the Insurer's maximum liability shall not exceed the lesser of the retail value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the Schedule.

Unless otherwise stated the term vehicle shall include such Vehicle's accessories and spare parts while thereon or therein.

### **2. OCCURRENCE SHALL MEAN**

An event or series of events arising from one cause in connection with any one vehicle in respect of which indemnity is provided by this insurance.



## **DESCRIPTION OF USE**

Use for social, domestic and pleasure purposes and use for the business or occupation of the Insured.

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.

## **CLAUSES AND EXTENSIONS (Only applicable if so stated in the Schedule to be included)**

### **1. WAIVER OF SUBROGATION RIGHTS**

For the purposes of this insurance the Insurer waive 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, Exclusions and Conditions of this insurance in so far as they can apply.

### **2. NON-CONTRIBUTION**

Notwithstanding General Condition 2. and paragraph 2 (iii) of Section 2 Defined Events the Insurer agrees that in the event of any person who is driving or using any Vehicle defined herein on the Insured's order or with the Insured's permission, being entitled to indemnity in terms of Section 2 and insurance is issued in his own name, such insurance will not be called into contribution unless the Insured so requests.

### **3. CROSS LIABILITIES**

Where the policy provides for the indemnity of more than one person or entity, each will be indemnified separately 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 Insurer shall not exceed the limit of indemnity stated in the Schedule.

### **4. AUTOMATIC COVER**

In respect of Vehicles insured on a specified basis, this insurance shall apply from the time that a Vehicle is registered in the name of the Insured, notwithstanding that such Vehicle may not have been notified to the Insurer provided that the Insurer is notified within a period of 30 days after the date of registration.

### **5. TERRITORIAL LIMITS**

The territories stipulated in General Exclusion 2.(b), are deleted and replaced by the following:

Africa south of the Equator,

#### **provided that**

- (i) should an insured Vehicle be damaged or stolen and recovered in a damaged condition, the liability of the Insurer shall not exceed R5,000 in respect of costs and expenses incurred outside the areas reflected in Section 1, Defined Events, for the removal of such Vehicle to any border post of any of the following territories: Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Mozambique, Zambia, Malawi and South Africa.

- (ii) the extension relating to Emergency Charges will only apply whilst such Vehicle is in South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe or Malawi.
- (iii) the following clause shall apply to Section 2 of this insurance:

**S A Jurisdiction**

Insurer will not indemnify the Insured for

- (a) compensation for Damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Mozambique, Zambia, Malawi and South Africa.
- (b) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described above.

**6. KEYS**

This insurance covers the cost of replacing locks and keys, including remote alarm controllers 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 liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule;
- (b) such amount shall be reduced by the Deductible stated in the Schedule.

**7. RADIOS AND TELEPHONES**

This insurance covers the cost of replacing radios, tape players, CD players, telephones (not cell phones), cell phone kits and ancillary equipment lost or damaged as a consequence of theft or attempted theft

provided that

- (a) the liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule;
- (b) such amount shall be reduced by the Deductible stated in the Schedule.

**8. EMERGENCY CHARGES**

This insurance covers costs and expenses incurred by the Insured in respect of the extinguishing or fighting of fire, the removal of debris and wreckage and the costs of recovery of any insured Vehicle following damage to such Vehicle by a Defined Event provided that the liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule.

9. **AIRFREIGHT REPLACEMENT COSTS**

This insurance covers the cost of airfreighting and express delivery for replacement of parts and accessories subsequent upon damage to the Vehicle as a result of an Defined Event provided that such costs do not exceed 50% of the amount that the repair or replacement cost would have been had such additional cost not been incurred and that the liability of the Insurer shall not exceed the limit of indemnity any one Vehicle stated in the Schedule.

10. **VEHICLE HIRE COSTS**

In the event that any motor car insured hereunder is disabled by reason of a Defined Event the Insurer agrees to pay for the hire of a Group B CarSure vehicle but excluding the cost of fuel or lubricants

provided that

- (i) the vehicle is hired from CarSure.
- (ii) the rental period shall cease on the date when the Vehicle is returned to the Insured in good working order or if the Vehicle is stolen or hijacked and not recovered or is written off, the date on which the Insured is indemnified or 30 days after inception of the rental period, whichever occurs first.
- (iii) in the event of theft, hijack or a total loss, the 30 days will commence at the time of the occurrence.
- (iv) in the event of repair, the 30 days will commence on the day that the vehicle is taken in for repairs.
- (v) that such costs shall be payable in addition to the limit of indemnity for which Insurer may be liable in respect of loss or damage to the Vehicle.

11. **EMERGENCY TRAVEL COSTS**

This insurance covers the reasonable costs and expenses incurred by the Insured in respect of travelling and accommodation due to loss or damage to a vehicle provided that the liability of Insurer shall not exceed the limit of indemnity stated in the Schedule.

12. **TEMPORARY REMOVAL**

This insurance covers portable telephones (not cell phones), removable radios, -radio faceplates, -tape players, -CD players, whilst temporarily removed from any Vehicle.

13. **SEARCH AND RECOVERY CHARGES**

Where a vehicle's value exceeds R100 000 this insurance covers costs and expenses (including but not limited to helicopter search charges) incurred by the Insured in any search and recovery operation following theft or hijack of a Vehicle irrespective whether or not such operation proves successful.



It is understood that such costs and expenses shall be payable in addition to the limit of indemnity stated in the Schedule and shall not be subject to the application of any Deductible provided that the Insurer's liability in connection with any one source or original cause shall not exceed the limit of indemnity stated in the Schedule.

14. **WINDSCREEN**

In the event of damage to the windscreen, permanent window glass and/or front lights arising out of an accident not causing other damage to the vehicle, the Deductible payable by the Insured shall be the amount stated in the Schedule in respect of Windscreen Replacement.

15. **CONTINGENT LIABILITY**

The indemnity provided by this insurance shall include claims made against

- (a) the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any vehicle not the property of nor provided by the Insured while being used by any director, partner, member 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 vehicle not belonging to the Insured nor leased nor hired by the Insured but only in so far as such person has not been refused any motor insurance or continuance thereof by any Insurer

provided that

- (i) Exclusion 2 of Section 2 is deleted;
- (ii) the Insurer shall not be liable for loss or damage to any Vehicle being used for the purposes and in the manner described 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 is entitled to indemnity under any other insurance in respect of the same occurrence, the Insurer shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such policy;
- (v) the terms, Exclusions, and Conditions of this insurance shall otherwise apply.

16. **PARKING FACILITIES AND MOVEMENT OF THIRD PARTY VEHICLES**

This insurance is extended to indemnify the Insured in respect of accidents caused by, 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 employment 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 on of the Insured's business.

For the purposes 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.

17. **PASSENGER LIABILITY**

Exclusion 2. of Section 2 is deleted.

18. **UNAUTHORISED PASSENGERS**

The indemnity under Section 2 shall, notwithstanding Exclusion 2 of Section 2, extend to cover the Insured's legal liability for death of or bodily injury to persons 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.

19. **PRINCIPALS**

Notwithstanding General Exclusion 3. this insurance is extended to indemnify, to the extent required by the conditions of any contract and in connection with any liability arising from the performance of the contract, any principal named in any contract entered into by the Insured for the purposes of the business.

20. **LIABILITY BY AGREEMENT**

Notwithstanding the provisions of General Exclusion 3., this insurance is extended to indemnify the Insured

- (a) against liability assumed by the Insured under any contract entered into with or indemnity given to Transnet Limited and Subsidiary Companies, Government or Quasi-government departments, Provincial Administrations, Local Authorities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of similar nature;
- (b) against liability arising from loss of or damage to property belonging to Transnet Limited and Subsidiary Companies, while in the Insured's custody or control;
- (c) in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet Limited and Subsidiary Companies, while being used by or on behalf of the Insured at any railway siding.



21. **HIRING OR CARRIAGE OF PASSENGERS FOR REWARD OR HIRE**

The words "hiring, carriage of passengers for hire or carriage of fare paying passengers," are deleted from General Exclusion 2.(a).

**COVER RESTRICTIONS (Only applicable if so stated in the Schedule to be included)**

**THIRD PARTY ONLY**

Sections 1 and 3 are cancelled.

**THIRD PARTY, FIRE AND THEFT ONLY**

The liability of the Insurer under Section 1 is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat. Further, Section 3 is cancelled.