



Commercial
Property Assets
Policy Wording

Hollard.

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Insurance Code of Conduct

Hollard proudly supports the South African Insurance Association (SAIA) Code of Conduct.

The purpose of the Code is to raise standards of practice and service in the general insurance industry.

The objectives of the Code are:

1. to promote better, more informed relations between insurers and their customers;
2. to improve consumer confidence in the general insurance industry;
3. to provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
4. to commit insurers and the professionals they rely upon to higher standards of customer service. Information on the Code is available from the nearest Hollard office or from SAIA.

Hollard's commitment to service

Hollard has adopted and supports the Code and is committed to complying with it.

Contact Hollard for more information about the Code.

How to resolve a complaint or dispute

Talk to Hollard first

If the Insured has a complaint, the first thing the Insured or his/her insurance broker should do is speak to Hollard.

If the complaint is related specifically to a claim, speak with the insurance intermediary or insurance broker to discuss the claim with the claims officer managing the claim.

If the staff member or claims officer is unable to resolve the matter, the Insured's insurance intermediary or insurance broker may speak to a manager at Hollard. The manager will usually provide the Insured with a response to the complaint within a reasonable period of time. If the timeframe is impractical for any reason, such as the need for more information or further investigation, Hollard will discuss alternative timeframes with the Insured. If the Insured is not satisfied with Hollard's response or Hollard cannot agree with the Insured on alternative timeframes, the Insured then moves on to step 2.

Seek a review

If the matter is still not resolved Hollard will refer the Insured to the insurance intermediary or insurance broker to the relevant dispute handling department or area who will conduct a review of the dispute and will usually provide the Insured with a response to the dispute within a reasonable period of time. If the timeframe is impractical, Hollard will discuss alternative timeframes with the Insured.

If the Insured is still not satisfied with Hollard's response to the dispute or Hollard cannot agree on alternative timeframes, the Insured then moves on to step 3.

Seek an independent review

The Insured is entitled to seek an external review of Hollard's decision. Hollard will provide the Insured with information about options available, including, if appropriate, referring the Insured to the external dispute resolution scheme administered by the Ombudsman for Short-term Insurance (OSTI).

The OSTI is an independent external dispute resolution office and its service is free to Hollard customers. The OSTI will advise the Insured if they can assist.

The OSTI can be contacted at:

The Ombudsman for Short-term Insurance

PO Box 32334

Braamfontein

2017

Phone: 011 726 8900

Fax: 011 726 5501

Hollard agrees to accept an OSTI decision; however, the Insured has the right to take legal action if the OSTI decision is unacceptable. The OSTI only accepts resolutions under their Terms of Reference.

Further information about Hollard's complaint and dispute resolution procedures are available by contacting us.

Hollard Commercial Property Assets Wording

Preamble

In consideration of the payment of the premium by or on behalf of the Insured, the Insurer specified in the Specification agrees to indemnify or compensate the Insured, subject to the Terms, Exclusions and Conditions of the Policy, by payment or, at the option of the Insurer, by replacement, reinstatement or repair in respect of the Insured Events occurring during the Period of Insurance (unless otherwise stated in any Section) up to the applicable Limit of Liability.

Where conflicting, Specific Exclusions, Conditions and Clauses override General Exclusions, Conditions and Clauses.

Terminology

This Policy, the Schedule, Specification and any endorsements thereto shall be read as a single document and any term to which a specific meaning has been attached in any part of the Policy shall bear that meaning throughout the document. Headings are inserted for ease of reference only and are not intended for the purpose of interpreting the Policy.

Several Liability Notice

In the event of more than one Insurer being named in the Specification as underwriters of this Policy, the term Insurer, wherever it appears, shall be deemed to read Insurers. The subscribing Insurers' obligations under this insurance are several and not joint and are limited solely to the extent of their individual subscriptions as stated in the Specification. Subscribing Insurers are not responsible for the subscriptions of any co-subscribing Insurer which for any reason does not satisfy all or part of its obligations. Notice as required in terms of General Condition 3 shall be given only to the Leading Insurer who has signed this Policy on behalf of all the Insurers.

Signed at _____ this _____ day of _____ 20 _____

For and on behalf of the Insurer(s)

Limits and Deductibles

1. Limits of Liability

Subject always to any applicable specific sub-limit, the Insurer's maximum liability shall be one of the following:

- 1.1 if the Maximum Limit of Liability applicable is stated in the Specification to be Full Value, the Insurer shall be liable for the Full Value (as defined) at risk; or
- 1.2 if the Maximum Limit of Liability applicable is stated in the Specification to be Maximum Loss Limit, the Insurer's liability for all loss(es) arising out of one Occurrence shall not exceed the specified Limit; or

the Limits shall apply:

- 1.2.1 separately in connection with each and every Occurrence;
- 1.2.2 in excess of the applicable Primary Deductible and Secondary Deductible, if any,

whichever is lesser,

Any extension of cover incorporated in this Policy will be included in the Limits of Liability applicable to the peril but no provision for such extensions has been made in the Declared Values. However, where the property is insured for Full Value, the liability of the Insurer will extend to cover any extensions included in addition to the Declared Value.

2. Deductibles

The Insured shall bear the first amount reflected in the Schedule of Deductibles of specific losses (hereinafter referred to as the Deductible);

PROVIDED THAT:

1. such Deductible shall apply once in connection with each and every occurrence or series of occurrences attributable to any one source or original cause notwithstanding the intervention of any other cause not excluded by this insurance. In the event of an occurrence affecting more than one Section, only the single largest applicable Deductible will apply to all losses flowing from any such occurrence unless separate Deductibles are laid down for Material Damage and Business Interruption, in which case both Deductibles will apply;
2. in the event of an occurrence affecting more than one division/operating unit of the Insured, only the single largest applicable Deductible will apply to all losses flowing from such occurrence.

A Deductible shall not apply in connection with Claims Preparation Costs, Fire Brigade Charges, Replacement Value Motor Vehicles, Sprinkler Upgrading, Import Surcharges or any excess beyond the amount payable under policies providing more specific insurance.

All recoveries shall, subject to any Deductible arrangement, be applied as if recovered prior to any settlement and any adjustment shall be made accordingly.

2.1 Sectional per Event

Any amount payable by the Insurer in terms of this Policy shall be reduced by the amount of any Deductible applicable to an Insured Event under that Section. It is a Condition that the amount of any Deductible is not otherwise insured (unless advised to and agreed by the Insurer).

2.2 Combined per Occurrence

The amounts payable by the Insurer in terms of the Property Damage and Business Interruption Sections related to the same occurrence shall be reduced by the amount of any Combined Deductible applicable to such occurrence. It is a Condition that the amount of any Deductible is not otherwise insured (unless advised to and agreed by the Insurer).

2.3 Aggregate

The maximum amount to be borne by the Insured in respect of the Sectional or Combined Deductible applicable to all occurrences during the then current Period of Insurance.

2.4 Threshold

The first amount to be borne by the Insured in respect of each and every occurrence and which shall not be included in any Aggregate Deductible calculation.

2.5 Inner

The first amount to be borne by the Insured in respect of each and every occurrence before the application of any other Deductible and which shall not be included in any Aggregate Deductible calculation.

2.6 Residual

The first amount to be borne by the Insured in respect of each and every occurrence following exhaustion of the Aggregate Deductible.

3. Definitions

3.1 **Occurrence** shall mean an event or series of events attributable to one source or original cause giving rise to loss as insured in terms of this Policy.

3.2 **Average Daily Value** if used in connection with Business Interruption, shall mean the sum arrived at by dividing the total amount of the loss by the total number of days of the Indemnity Period applicable to the specific Occurrence.

3.3 **Full Value** shall mean:

3.3.1 for the purposes of any property damage Section of the Policy, the Declared Value at inception or at the last renewal immediately anterior to the Occurrence plus an allowance calculated at the date of reinstatement for trends (which term shall include inflationary impact on costs of repair or reinstatement both before and after the occurrence of damage), additions, extensions, acquisitions and new locations between the effective date of declarations and the date of the Occurrence, which shall be the amount to be utilised for any application of Average;

PROVIDED THAT:

the Insurer's liability shall not exceed the Declared Value plus the Full Value Margin stated in the Specification.

3.3.2 for the purposes of the Business Interruption Section of the Policy, the Declared Value at inception or at the last renewal immediately anterior to the loss subject always to the Special Circumstances clause.

3.4 **Damage** shall, unless specifically otherwise stated, wherever used mean physical loss, destruction or damage.

3.5 **Reinstatement Value** shall mean the cost of replacing or reinstating on the same site property of the same kind or type equal to, but not superior to or more extensive than, the Insured Property when new.

4. Sub-limits

Where a sub limit is not specified on the Policy Schedule for any extension or specific extension then a maximum limit of R500 000 (five hundred thousand rand) will prevail.

General Conditions, Exclusions and Provisions

GENERAL CONDITIONS

1. Change of interest/disclosure/non-disclosure/misrepresentation/misdescription

- 1.1 Before the Insured enters into a contract of insurance with an Insurer, the Insured has a duty to disclose to the Insurer every matter known, or that the reasonable person in a similar position could reasonably be expected to know, that is relevant to the Insurer's decision whether to accept the risk of the insurance and, if so, on what terms.
- 1.2 The Insured has the same duty to disclose those matters to the Insurer before the Policy is renewed, extended, amended or reinstated.
- 1.3 Failure to comply with the duty of disclosure, the Insurer may be entitled to reduce its liability under the Policy in respect of a claim or may void the Policy from the date of the material change of risk or non-disclosure.
- 1.4 Further, the cover provided by this Policy shall be void with respect to any item insured:
 - 1.4.1 to which any alteration after the commencement of this insurance takes place;
 - 1.4.2 whereby the Insured's interest ceases except by will or operation of law;unless notice has been given to the Insurer in writing as soon as practicable after such alteration and an additional premium paid if required.
- 1.5 Misrepresentation or misdescription 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 or misdescription.

2. Prevention of Loss

The Insured shall take all reasonable steps and precautions to prevent accidents or losses, including but not limited to, compliance and adherence to laws and regulations which are material to the risk. The Insured warrants that all laws, regulations, by-laws and rules that apply to the business or any other matter for which cover is provided in terms of this Policy (irrespective of whether the laws, regulations, by-laws and rules are in force at the date this Policy is issued, or are enacted after that date) shall be adhered to at all times.

3. Claims

- 3.1 On the happening or discovery of any Damage which may result in a claim under this Policy, the Insured shall (subject to the provisions of any Claims Preparation Costs or similar extension clause) at their own expense:
 - 3.1.1 notify the Insurer as soon as reasonably possible of such Damage and provide particulars of any other insurances covering Damage hereby insured;
 - 3.1.2 as soon as reasonably possible after the Damage occurred submit to the Insurer full details of any claim;
 - 3.1.3 as soon as practicable after the event inform the police of any loss involving theft and, if required by the Insurer, of loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property.
 - 3.1.4 give the Insurers such proof, information and sworn declarations as the Insurer may require and forward to the 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.

The Insured may proceed with the repair of any machinery before inspection by or on behalf of the Insurer provided that the liability of the Insurer is not thereby increased and that any damaged part requiring replacement is retained for inspection by the Insurer.

- 3.2 In the event of a claim being rejected for any reason and legal action not being commenced within 12 (twelve) months after such rejection, all benefit under this insurance in respect of such claim shall be forfeited.
- 3.3 A claim shall not be payable if 24 (twenty four) months have elapsed since the occurrence of the Insured Event unless the claim is the subject of pending legal action or final assessment of the loss by the Insurer has not been reached or is a claim under the Business Interruption section of this Policy.
- 3.4 Where circumstances of a potential claim are notified to the Insurer and such claim is more specifically insured under any other policy issued by the same Insurer notice in terms of this Policy will be deemed to have been given in terms of such policy.

4. Reinstatement

If the Insurer elects to reinstate or replace any property, the Insured shall at their own expense, except to the extent otherwise provided by the Claims Preparation Costs extension, provide the Insurer with all such plans, documents, books and information as the Insurer may reasonably require. The Insurer shall not be bound to reinstate exactly or completely but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to expend in respect of any one of the items insured more than the applicable Limit of Liability.

5. Deliberate or fraudulent acts in making a claim

All benefits afforded in terms of this Policy in respect of any claim shall be forfeited and this Policy may be voided or cancelled at the Insurer's discretion from the date of any fraudulent conduct:

- 5.1 if any claim or part thereof under this Policy is in any way fraudulent or if fraudulent means or devices are used by the Insured or anyone acting on the Insured's behalf to obtain any benefit under this Policy, or if any insured event under this Policy is occasioned by the Insured's intentional conduct or that of any person acting on the Insured's behalf or with the Insured's connivance; or
- 5.2 if any fraudulent information and/or document, whether created by the Insured or any other party, is provided to the Insurer by the Insured or anyone acting on the Insured's behalf or with the Insured's connivance in substantiation or support of any claim under this Policy and whether or not the claim in itself is fraudulent; or
- 5.3 if the quantum of any claim is deliberately exaggerated by the Insured or anyone acting on the Insured's behalf or with the Insured's connivance, for any reason whatsoever, and whether or not the claim in itself is fraudulent.

Where any benefit under this Policy is forfeited in circumstances set out in this General Condition, the Insured shall repay to the Insurer all amounts which the Insurer may have previously settled in respect of all claims forfeited without prejudice to the Insurer's right to recover any other damages which the Insurer may have suffered as a result of the fraudulent conduct.

6. Cancellation

6.1 Notice

This Policy, Policy Section or item may be cancelled at any time by the:

- 6.1.1 Insurer giving 30 (thirty) days' notice in writing (or such other period as may be mutually agreed); or
- 6.1.2 the Insured giving immediate notice.

6.2 Pro-rata premiums

On cancellation by the Insured, the Insurer shall be entitled to retain the customary short period or minimum premium for the period the Policy, Policy Section or item has been in force. On cancellation by the Insurer, 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 11.

6.3 Premium refund

The Insurer will not refund the Insured upon cancellation of the Policy, Policy Section or item for the remainder of the period of insurance up to renewal if the maximum amount stated in the Specification for such property or Section is settled in terms of a claim.

This General Condition shall apply whether the Insured gave instruction for cancellation or the Insurer, for whatever reason.

7. Company's rights after an event

7.1 On the happening of any event in respect of which a claim is or may be made under this Policy, the Company and every person 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:

7.1.1 take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This Condition shall be evidence of the leave and 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;

7.1.2 take over and conduct in the name of the Insured the defence or settlement of any claim and prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the Insured without the written consent of the Company.

7.2 The Insured shall, at the expense of the Company, do and permit to be done all such things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights to which the Company shall be, or would become, subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification.

7.3 In respect of any Section of this Policy under which an indemnity is provided for liability to third parties, the Company may, upon the happening of any event, pay to the Insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the Company shall thereafter not be under further liability in respect of such event.

8. The Insured

For the purpose of determining the Insured, the term Insured shall mean:

8.1 the named party stated in the Specification, hereinafter referred to as the Named Insured;

8.2 any subsidiary company of the Named Insured declared to the Insurer;

8.3 any employee of the Named Insured, while acting on behalf of or in the course and scope of their employment or engagement by the Named Insured;

8.4 in the event of the death of the Named Insured, the personal representatives of the Named Insured in respect of liability incurred by the Named Insured;

8.5 the owner, director or shareholder of the Insured or the natural person as stated in the Specification, in their private capacity, including their spouse and any members of their immediate family who normally reside with the Insured and are financially dependent on the Insured.

9. 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 Insurer 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.

10. Premium payment

10.1 Where the premium is paid quarterly, bi-annually or annually

The premium is due and payable on or before the inception date or renewal date as the case may be, but, must be paid within 30 (thirty) days. The Insurer shall not be obliged to accept premium tendered to it more than 30 (thirty) days after the 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.

10.2 Where the premium is paid monthly

The premium is due and payable on or before the inception date or the first day of each month thereafter as the case may be. If the premium has not been paid for any reason other than the Insured having stopped payment, the Insurer will re-debit in the following month for two months' premium. If the full double premium has not been paid, the Policy will be canceled from the due date of the first unpaid premium.

If a claim occurs within the month that the premium is unpaid and the Insurer is awaiting the double debit, no claim will be settled until such time that the Insurer can confirm that the full premium is received.

11. 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 Insurer with such particulars and information as the Insurer 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.

12. 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.

13. 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 to claim to such person, the intention being that the Insured shall claim on behalf of such person. Receipt by the Insured shall in every case be a full discharge to the Insurer.

14. Value Added Tax (VAT)

14.1 Definition

VAT shall mean the amount of Value Added Tax payable by the Insured or the Insurer to the revenue authorities in the Republic of South Africa.

14.2 Value Added Tax (VAT) inclusive condition

It is understood and agreed that the monetary amounts as reflected in the sums insured and/or limits of indemnity shall be applied to the indemnity or amounts payable in terms of this Policy and to which sums the Terms, Conditions, Provisions and Limitations of this Policy shall apply, and VAT at the current rate as promulgated in legislation relating thereto.

Subject to such sums/limits of indemnity being adequate to embrace the amounts described under 15.1 and 15.2 above, the Insurer will, to the extent that the Insured is accountable to the tax authorities for value-added tax in respect of any payment in terms of this Policy, include the amount of such tax in the final settlement of any claim in terms of this Policy;

PROVIDED THAT:

the total amount payable for any Defined Event and the VAT related thereto shall not exceed the sum insured/limit of indemnity set against such Defined Event.

In circumstances referred to herein under which the Insured is required to bear the first amount of any loss (excess), such amount shall also be inclusive of VAT in like manner to the sum insured/limit of indemnity referred to above.

Furthermore, in the event of a change in the rate of VAT during the period of insurance, sums insured, limits of indemnity and, if appropriate, premiums shall be adjusted automatically.

15. Consent to disclosure of private information

- 15.1 The Insured acknowledges that the sharing of information for underwriting and claims purposes is in the public interest, as it will enable Insurers to underwrite policies, assess risks fairly, to reduce the incidence of fraudulent claims with a view to limiting premiums and to conduct surveys.
- 15.2 On behalf of the Insured and on behalf of anyone the Insured represents herein, the Insured hereby waives any right to privacy with regard to any underwriting and claims information in respect of any insurance policy or claims made or lodged by the Insured, or on behalf of the Insured.
- 15.3 The Insured consents to such information being processed and stored in the shared database.
- 15.4 The Insured also consents to such information being disclosed to any Insurer or third parties.
- 15.5 The Insured further consents to any underwriting information being verified against legally recognised sources or databases.
- 15.6 The Insured agrees that this consent clause will survive the termination for whatever reason of the policy, including its cancellation or lapsing.

16. Interest on payments

No interest will be payable on any amount due by the Insurer in terms of this Policy unless a Court of Law orders otherwise.

17. Law and jurisdiction

Any dispute between the Insured and the Insurer in connection with or arising out of the Policy shall be decided exclusively in accordance with the law of the Republic of South Africa and exclusively by a competent court of South Africa.

The Insured undertakes that they will not institute any action against the Insurer nor bring joinder proceedings against the Insurer in the court of any country other than the Republic of South Africa.

18. Insurable Interest

- 18.1 The Insured must have an insurable interest in any item insured under this Policy at the date of the event giving rise to a claim.
- 18.2 If the Insured's insurable interest in an insured item is an interest other than as an owner or a good faith possessor of the goods (in terms of a credit agreement or else) who bears the risk of loss, the Insured must advise the Insurer of the nature and extent of the insurable interest before the cover commences.
- 18.3 The cover for any such item will start only when the Insurer has given written confirmation and agreed to insure the property.
- 18.4 Should the nature or extent of the insurable interest in any item insured under this Policy change, the Insured must notify the Insurer immediately in writing of such change. Failure to do so may entitle the Insurer to reject the claim if the Insured's insurable interest was not agreed to by the Insurer.

19. Detention, confiscation and forfeiture

This Policy does not cover any loss, damage, cost or expense directly or indirectly arising from detention, confiscation, forfeiture, impounding or requisition legally carried out by customs, South African Police Services, crime prevention units or other officials or authorities.

20. Theft by false pretenses and fraud

This Policy does not cover loss or damage resulting directly or indirectly from or in connection with any actual or purported exchange, cash or credit sale agreement including theft by false pretences and/or fraud.

21. Sanction limitation and exclusion

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

22. Policy and Specification

The Policy and the Specification together confirm the contract between the Insured and the Insurer and should be read as one document. Should there be any conflict in interpretation between the contents of the printed Policy and the contents of the Specification, the Specification shall be given precedence.

23. Defective design, lack of maintenance and cost of maintenance

The insurance provided by this Policy does not cover loss of or damage to property stated in the Specification related to or caused by or attributable or relating to defective design, workmanship, construction or material or lack of maintenance or the cost thereof.

24. Gradual deterioration, wear and tear

The Insurer shall not be responsible to pay for gradual deterioration and/or wear and tear to property stated in the Specification which occurs over a period of time.

25. Obsolescence in the event of loss of or damage to:

- 25.1 electronic motors;
- 25.2 telephonic communication equipment;
- 25.3 security control equipment (inclusive of cameras);
- 25.4 alarm and detection systems;
- 25.5 TV aerials including television transmission or reception equipment;
- 25.6 closed circuit cameras and monitors;
- 25.7 or any accessory or attachment relating thereto;

being the subject of a claim as insured for which there is no immediate replacement, or for which the agency or supplier in South Africa has discontinued the importation of such equipment, and provided that such equipment is not repairable, then such equipment will be considered obsolete.

In the event of the equipment being considered or declared obsolete, then at the option of the Insurer the basis of the indemnity will be cash-in-lieu and will be the original purchase or replacement costs thereof less a rate of depreciation based on an accumulative rate of 15% (fifteen percent) per annum, as from the date of purchase or installation, excluding labour and installation costs.

26. Dye-lots, patterns and textures

Loss of or damage to any property (or portion of such property) being supplied or manufactured in specific dye-lots, colours, patterns or textures which is not available (in whole or in part) in such dye-lots, colours, patterns or textures, the Insurer will indemnify the Insured for the loss of the same as such is available to the nearest dye-lot, colour or texture as may be available in the required quantity.

27. Changes in Premiums and Conditions

The Insurer reserves the right to change or increase premiums from time to time or to amend the Terms, Conditions and Exclusions of cover in respect of the Policy subject to 30 (thirty) days' notice in writing.

28. Average

This Condition shall apply to the following Sections of this Policy:

- A. Fire;
- B. Business Interruption.

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 ratable share of the loss accordingly. Every item, if more than one, shall be separately subject to this Condition.

29. 72 hour consecutive occurrence

It is understood and agreed that all loss or damage to property stated in the Specification occurring during any one period of 72 consecutive hours during the currency of this Policy directly caused by any of the following perils, namely: hurricane, typhoon, windstorm, rainstorm, hailstorm, tornado, earthquake, seaquake, tidal wave, volcanic eruption, and in respect of malicious damage within the limits of any one city, town or village shall be deemed to have been caused by a single event and therefore to constitute one loss for the purpose of this Policy.

Whatever period of 72 consecutive hours is used for the purpose of this General Condition shall also be used for the purpose of any First Amount Payable provisions in this Policy. An event which continues uninterrupted for a period exceeding 72 hours shall not, however be regarded as more than one event for the purposes of the application of the First Amount Payable and Limit of Indemnity.

Should any time period referred to above commence prior to expiration and extend beyond the expiration of this Policy, the Insurer shall pay all such losses occurring during such period as if such period falls entirely within the term of this Policy.

The Insurer shall not however be liable in terms of this General Condition for any loss occurring before the effective date and time or commencing after the expiration date and time of this Policy.

GENERAL EXCLUSIONS

1. War, Riot and Terrorism Exclusion

- 1.1 This Policy does not cover loss of or damage to property, death or bodily injury or liability directly or indirectly related to or caused by:
- 1.1.1 civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the aforementioned;
 - 1.1.2 war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - 1.1.3
 - 1.1.3.1 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;
 - 1.1.3.2 insurrection, rebellion or revolution;
 - 1.1.4 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;
 - 1.1.5 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;
 - 1.1.6 any attempt to perform any act referred to in Clause 1.1.4 or 1.1.5 above;
 - 1.1.7 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in Clause 1.1.1, 1.1.2, 1.1.3, 1.1.4, 1.1.5 or 1.1.6 above.

If the Insurer alleges that, by reason of Clause 1.1.1, 1.1.2, 1.1.3, 1.1.4, 1.1.5, 1.1.6 or 1.1.7 of this Exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

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

For the purpose of this General Exception 1.3 an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government or any other person or body of persons, committed for political, religious, personal, ethnic 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 1.3 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 Risk Exclusions

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

- 2.1 ionizing radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- 2.2 nuclear material, nuclear fission or fusion, nuclear radiation;

2.3 nuclear explosives or any nuclear weapon;

2.4 nuclear waste in whatever form;

regardless of any other cause or event contributing concurrently or in any other sequence to the loss. For the purpose of this Exception only, combustion shall include any self-sustaining process of nuclear fission.

3. Computer Loss Exclusion

Notwithstanding any provision of this policy including any specific exclusion or extension or other provision not included herein which would otherwise override a General Exception, this Policy does not cover:

3.1 loss or destruction of or damage to any property whatsoever (including a computer) or an loss or expense whatsoever resulting or arising therefrom;

3.2 any legal liability of whatsoever nature;

3.3 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:

1. to treat any date as the correct date or true calendar date, or correctly or appropriately to recognize, 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
2. to capture, save, retain, or to process any information or code as a result of the operation or any command which has been programmed into any computer, being a command which caused 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
3. 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;
4. 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 unauthorized code or instruction including any trojan horse, time or logic bomb or worm or any other destructive 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 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 the above General Exclusion

Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to in B below.

- A. The special perils that are not excluded for the purpose of this Special Extension are 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.

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

- B. The above General Exclusion 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 results from damage to insured property by the perils referred to in 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 Loss General Exclusion and this Special Extension.

4. Asbestos and Toxic Mould Exclusion

Arising directly or indirectly out of or resulting from or in consequence of or in any way involving:

- 4.1 Asbestos or any materials containing asbestos in whatever form or quantity; or
- 4.2 the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of any fungi, moulds, spores or mycotoxins of any kind; or
- 4.3 any action taken by any party in relation to the actual, potential, alleged or threatened formation, growth, presence, release or dispersal of (to include the investigation of, testing for, detection, monitoring, treating, remediating or removal of) any fungi, moulds, spores or mycotoxins of any kind whether in response to any governmental or regulatory order, requirement, directive, mandate, decree or otherwise.

5. Transmission and Distribution Lines Exclusion

All transmission and distribution lines, including wires, cables, poles, pylons, standards, towers and any equipment of any type which may be attendant to such installations, including substations of any description. This Exclusion includes but is not limited to transmission or distribution of electrical power, telephone or telegraph signals, and all communication signals whether audio or visual.

This Exclusion applies to above ground equipment which are more than 1 500 (one thousand five hundred) metres, or 5 000 (five thousand) feet, from an insured structure.

This Exclusion applies both to physical loss or damage to the equipment and all business interruption consequential loss, and/or other contingent losses related to transmission and distribution lines.

It is understood and agreed that public utilities extension and/or suppliers extension and/or contingent business interruption coverages are not subject to this Exclusion, provided that these are not part of a transmitters' or distributors' policy.

6. Cyber Exclusion

- 6.1 This Policy excludes any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:
 - 6.1.1 any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System, unless subject to the provisions of point 6.2 below;
 - 6.1.2 any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data, unless subject to the provisions of point 6.2 below.
- 6.2 Subject to the other terms, conditions and exclusions contained in this Policy, this Policy will cover:
 - 6.2.1 loss, damage, liability, cost or expense directly caused by, resulting from, or arising out of physical loss and/or physical damage to tangible property insured under this Policy and any Time Element Loss directly resulting from physical loss and/or physical damage;
 - 6.2.2 physical loss and/or physical damage to Data Processing Media for which the basis of valuation shall be the cost of the blank Data Processing Media plus the costs of repairing, replacing or restoring the Data from back-up or from originals of a previous generation (these costs will not include research and engineering). If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank Data Processing Media (however, this Policy does not cover any amount pertaining to the value of Data to the Insured or any other party, even if such Data cannot be recreated, gathered or assembled);

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

Meaning of words:

1. **"Computer System"** means any computer, hardware, software communications system, electronic device, (including but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output or data storage device, networking equipment or back up facility.
2. **"Data"** means information facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
3. **"Time Element Loss"** means business interruption, contingent business interruption or any other consequential losses.
4. **"Data Processing Media"** means any property insured by this insurance agreement on which Data can be stored but not the Data itself.

7. Damage or loss causes directly or indirectly by Infectious or Contagious Disease Exclusion

Notwithstanding any specific provision of a specific section of this Policy including any Exclusion, Exception, Insured Peril, Extension or other Provision not mentioned herein which specifically overrides a General Exclusion, this Policy does not cover death, injury, sickness, loss, damage/s (physical or financial), cost or expense of any type whatsoever, legal liability, or any consequential loss directly or indirectly caused by, arising out of, resulting from or in consequence of:

- 7.1 any infectious or contagious disease (of whatsoever nature or cause);
- 7.2 any indication, fears or threat of a possible infectious or contagious disease (of whatsoever nature or cause);

irrespective:

1. of where in the world such disease may exist or be feared to exist;
2. of whether or not a declaration by a local, regional, international or governmental authority including but not limited to the President of South Africa has been made, that an infectious or contagious disease exists locally or in any area or nationally or constitutes or has given rise to a national state of disaster or emergency.

8. Non-physical damage Business Interruption and Contingent Business Interruption Exclusion

Notwithstanding any specific provision of a specific section of this policy including any exclusion, condition, exception, insured peril, extension or other provision not mentioned herein which specifically overrides a general exclusion, this policy does not cover any loss, damage/s (physical or financial), cost or expense of any type whatsoever, legal liability, or any consequential loss directly or indirectly caused by, arising out of, resulting from or in consequence of any Business Interruption or Contingent Business Interruption cover unless as a result of physical damage as per the Defined Events stated under the Business Interruption Section of this policy.

All sections and extensions that provide for such loss, damage/s, costs or expenses are hereby deleted in their entirety.

9. Electricity Grid Failure exclusion

Notwithstanding any provision of any section of this Policy including any Exclusion, Condition, Exception, Insured Peril, Extension or other provision not mentioned herein, this Policy does not cover any loss, damage/s (physical or financial), cost or expense of any type whatsoever, legal liability, or any consequential loss directly or indirectly caused by, attributable to, arising out of, resulting from, following or in any way in consequence of or in connection with any Electricity Grid Failure (as defined below).

Electricity Grid Failure is an interruption to or suspension of electricity supply, in any manner, from whatsoever source, and for any reason (including damage and any inability and/or failure on the part of the supplier) which affects an entire municipality (including local, district, regional or any other level that is created by law) or province or the country at substantially the same time, including any interruption, power surge or suspension at the reconnection or reinstatement of electricity supply.

This exclusion also applies to consequential losses in respect of any public utilities that are affected by Electricity Grid Failure including, but not limited to, the disruption of water, telecommunications and sewage systems as well as the deterioration of stock, food or other items.

This exclusion does not apply to Loadshedding (defined below) which remains covered subject to the remaining terms and conditions set out in the policy.

Loadshedding is the intentional, total or partial, withholding of electricity supply (from any source) by any party other than the insured implemented in phases which do not affect a municipality (including local, district, regional or any other level that is created by law) or province or the country at substantially the same time.

The theft covers of the policy have security requirements, such as alarm systems. It must be noted that there is no cover in place if these requirements are not met in any way, whether directly or indirectly due to Electricity Grid Failure. The Provision in the alarm warranty that states "cover will continue to be applicable whilst the alarm system is not operative due to a failure of the public supply of electricity at the terminal ends of the supply authority's service feeders and that such failure is not due to any act or omission of the Insured." is deleted should such unavailability of electricity be as a result of Electricity Grid Failure.

GENERAL PROVISIONS

1. Acquisitions and Divestments

1.1 New acquisitions

This Policy is automatically extended to cover additional companies, property and interests which may be acquired or otherwise become at the risk of the Insured subject to the combined material damage and business interruption values at that time not exceeding 20% (twenty percent) of the combined material damage and business interruption values applying to this Policy.

In the event of coverage being required for additional companies, property and interests where the values exceed 20% (twenty percent), details thereof are to be provided to the Insurer not later than 90 (ninety) days from the date of such acquisitions, however this Policy will provide coverage automatically for such period of time.

Where a new company is acquired by the Insured and it is decided by the Insured that it will not automatically be insured under this Policy the Insurer will automatically cover difference in conditions and limits of liability between that provided in terms of the new acquired company's current insurance and that provided by this Policy.

1.2 Disinvestments

In the event of disinvestments the Insured shall be entitled to a pro-rata refund of premium from the date of such disinvestments until expiry of the Period of Insurance.

2. Claims Preparation Costs

The insurance by each Section of this Policy is extended to include costs reasonably incurred by the Insured in producing and certifying any particulars or details required by the Insured in terms of General Condition 3 Claims or to substantiate the amount of any claim;

PROVIDED THAT:

the liability of the Insurer for such costs shall not exceed R250 000 (two hundred and fifty thousand rand) or the amount stated in the Specification, whichever is the greater, for each and every occurrence and in the annual aggregate applicable to all Sections cumulatively claimed

3. Waiver of Rights

3.1 In the event of any rights of recovery having been waived by the Insured under a contract, agreement, lease or other undertaking entered into in the ordinary course of business, this insurance shall not be prejudiced thereby provided such waiver has occurred and is evidenced in writing prior to the loss or damage.

3.2 In the event of a claim arising under this insurance, the Insurer agrees, at the request of the Insured, to waive any rights, remedies or relief to which they might become entitled by subrogation (but only in excess of the amount recoverable under any policy providing indemnity for liability to third parties) against:

- 3.2.1 any company standing in relation to the Insured of holding company to subsidiary or controlled company;
- 3.2.2 any company standing in relation to the Insured of subsidiary or controlled company to holding company;
- 3.2.3 any company which is a subsidiary or controlled company of the same holding company of which the Insured are themselves a subsidiary or controlled company as defined in any applicable legislation;
- 3.2.4 any director or employee of the Insured or member of their families unless the loss or damage has been caused by the wilful act or dishonesty of such person;
- 3.2.5 any company forming part of a joint venture with the Insured when the Insured has assumed responsibility for insurance.

4. Interest of Others

The interests (in terms of various agreements entered into by the Insured) of others including, but not limited to, mortgagees, lessors and owners of certain property insured by this Policy are hereby noted, provided they are notified to the Insurer.

5. Specification Sums Insured Blank

If, in a Specification of this Policy the sums insured, limit of indemnity or compensation is:

- 5.1 left blank or has no monetary amount stipulated against it;
- 5.2 reflected as nil or not applicable or not covered or no indemnity extended;

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

6. Joint Ventures

The definition of the Insured is extended to include any joint venture in which the Insured has an interest. Indemnity will apply provided that:

- 6.1 the Insured has sole responsibility for the joint venture and provided that the value of all property of the joint venture to be insured is declared to the Insurer; or
- 6.2 the Insured is contractually obligated to provide insurance such as is afforded by this Policy for the joint venture in its entirety provided that the value of all property of the joint venture to be insured is declared to the Insurer; or
- 6.3 where insurance, as provided in terms of this Policy, is separately purchased on behalf of the joint venture, this Policy will indemnify the Insured named in the General Specification for its percentage share in the joint venture only in respect of any shortfall in terms of the limit of indemnity between such separately purchased insurance and that provided in terms of this Policy;
- 6.4 where insurance, as provided in terms of this Policy, is not separately purchased on behalf of the joint venture, this Policy will indemnify the Insured named in the General Specification for its percentage share in the joint venture only, in respect of any loss subject to the terms, Indemnity Limits and Deductibles of this Policy.

7. Power surge

The Insurer shall indemnify the Insured up to R100 000 (one hundred thousand rand) per section but R200 000 (two hundred thousand rand) in the annual aggregate for each and every occurrence or series of losses from one event;

PROVIDED THAT:

- 1. the Insured shall be responsible for the first 10% (ten percent) with a minimum of R2 500 (two thousand five hundred rand) for each and every claim; or

2. if the Insured can prove to the satisfaction of the Insurer that an approved surge protector is installed, then the deductible mentioned in 1. above shall be waived.

Subject to the Definitions, Provisions, Specific Exceptions, Terms and Conditions in these Sections.

8. Property under Construction or Alteration

Damage to property insured by this Policy in the course of erection and/or completion and/or alteration and/or any loss following interruption or interference with the business in consequence of such damage, until final completion of the contract, shall not exceed R2 500 000 (two million five hundred thousand rand);

PROVIDED THAT:

this Provision shall not apply in respect of damage to:

1. any section of incomplete property which has been handed over for use by the Insured and has been satisfactorily tested and commissioned;
2. existing insured property caused by a Defined Event not otherwise excluded by this Policy.

9. Warranties and Endorsements

If cover is subject to a specific warranty(ies) or requirement(s) or the premium was reduced as a result of receiving a discount for precautionary measures taken on any Section of this Policy and these measures are not in place, maintained and/or operational at the time of the loss or damage for which a claim is submitted, the Insurer may reject the claim.

10. Ombudsman

In the event the Insured feels that they have not been dealt with fairly under this Policy or wishes to make a complaint and such complaint has not been dealt with by the Insurer to the Insured's satisfaction, the Insured may refer such complaint to the Ombudsman for Short-term Insurance, if applicable. The Insured may contact their representative broker, administrator or the Insurer to obtain the details of the Ombudsman.

Section A – Property Damage

Damage to Insured Property including Money and Documents by any Peril or Damage (as Defined) not hereinafter excluded as per Specific Exclusions.

Property Definitions

Insured Property	<p>shall mean: all real and personal tangible property owned by hired or leased to the Insured or held by the Insured in trust or on commission or for which they are legally responsible, or for which they have agreed to arrange insurance, landlord's and tenants' improvements, including while in Transit provided that only the Limit of Liability and the Deductible applicable to Transit as stated in the Specification of Limits of Liability shall apply to Damage to Insured Property (other than Money) in Transit and personal property of the Insured's directors and employees while on the Insured's business or while being transferred anywhere within the Territorial Limits, excluding:</p> <ol style="list-style-type: none"> 1. directors' and employees' own land, improvements thereon and contents thereof; 2. land, except as provided for by Specific Extension 1 (Clearance Costs). This exclusion does not apply to the cost of reclaiming, restoring or repairing: <ol style="list-style-type: none"> 2.1 land improvements. Land improvements are defined as any alteration to the natural condition of the land by grading, landscaping, earthen dikes or dams but excluding the contents of such dikes or dams; 2.2 land which supports insured additions to land (such as pavements, roadways, gablon walls or similar works) or which supports other insured man-made structures; 3. growing timber, growing crops, saplings or seedlings; 4. bullion and precious stones; 5. watercraft other than watercraft not exceeding 6 metres in length on inland waters or on land; 6. aircraft; 7. motor vehicles (not being stock-in-trade) other than the private cars and motor cycles of employees whilst being conveyed, but not under their own power, in the course of the transfer of the employee, forklift trucks and other special types confined to the Insured's premises or as specifically provided for herein; 8. mobile plant where the Damage to the mobile plant arises out of the operation of such mobile plant. This exclusion does not apply to forklift trucks; 9. railway rolling stock, locomotives and tenders; 10. property in the course of construction, alteration or addition where the tender price of the contract or project (whichever is the greater) exceeds R2 500 000 (two million five hundred thousand rand); <p>PROVIDED THAT:</p> <p>this exclusion shall not apply in respect of Damage to:</p> <ol style="list-style-type: none"> 10.1 any section of incomplete property which has been handed over for use by the Insured and has been satisfactorily tested and commissioned; 10.2 existing Insured Property caused by a Defined Event not otherwise excluded by this Policy; <ol style="list-style-type: none"> 11. property covered by a marine policy; 12. off-shore oil drilling rigs;
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<p>Insured Property (cont.)</p>	<ol style="list-style-type: none"> 13. unmined materials; 14. property in the possession of clients of the Insured under lease, credit or suspensive sale agreements; 15. explosives other than small arms ammunition; 16. Insured’s own non-macadamised- roads, -pavements and -parking facilities; 17. docks, piers and wharfs; 18. animals, birds or poultry.
<p>Fire and Allied Perils</p>	<p>shall mean:</p> <ol style="list-style-type: none"> 1. fire, lightning, explosion, implosion, smoke including fumes and gases; 2. volcanic eruption, earthquake, including earth tremor arising from mining operations; 3. subsidence and landslip; 4. Malicious Damage (as further defined); 5. storm, wind, water (including flood), hail or snow; 6. aircraft or other aerial devices or articles dropped therefrom; 7. impact by animals or vehicles, including railway locomotives, rolling stock or articles dropped therefrom, satellite dishes or antennae; 8. falling trees or parts thereof; 9. contamination of the Insured Property arising out of Damage which results from any peril listed in 1 to 8 above.
<p>Accidental Damage</p>	<p>shall mean accidental physical loss, destruction or damage by any cause other than as described under Fire and Allied Perils or Theft and not otherwise excluded;</p> <p>PROVIDED THAT:</p> <p>this insurance does not cover:</p> <ol style="list-style-type: none"> 1. glass; 2. china; 3. earthenware; 4. marble; and 5. other fragile or brittle objects.
<p>Malicious Damage</p>	<p>shall mean Damage to the Insured Property caused by:</p> <ol style="list-style-type: none"> 1. the deliberate or willful or wanton act of any person committed with the intention of causing such Damage but excluding Damage to: <ol style="list-style-type: none"> 1.1 movable property which is: <ol style="list-style-type: none"> 1.1.1 stolen; 1.1.2 damaged in an attempt to remove it from any premises owned or occupied by the insured; 1.2 movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured; 1.3 immovable property owned or occupied by the Insured occasioned by or through or in consequence of: <ol style="list-style-type: none"> 1.3.1 the removal or partial removal or any attempt thereof of; or 1.3.2 the demolition or partial demolition or any attempt thereof of the said immovable property or any part thereof with the intention of stealing any part thereof.

Malicious Damage (cont.)	<p>PROVIDED THAT:</p> <p>this insurance does not cover:</p> <ol style="list-style-type: none"> 1. Damage related to or caused by fire or explosion; 2. Consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured; 3. Damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation; 4. Damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering requisition by any lawfully constituted authority; 5. Damage related to or caused by any occurrence referred to in General Exclusions 1.1.1, 1.1.2, 1.1.3, 1.1.4, 1.1.5 or 1.1.6 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. <p>If the Insurer alleges that by reason of provisos 1, 2, 3, 4 or 5 Damage is not covered by this Section the burden of proving the contrary shall rest on the Insured.</p>
Theft	<p>shall mean the dishonest appropriation of property with the intention of permanently depriving the owner of it; or the taking of property without lawful authority.</p>
Money	<p>shall mean cash, bank and currency notes, cheques, travellers’ cheques, crossed cheques, postal orders, money orders, current postage and revenue stamps. U.I.F. stamps, national loan certificates, embossed stamps, credit card vouchers, smart cards, scratch cards, airtime vouchers, phone sim cards coupons, credit cards, casino chips, saving certificates, bills of exchanges, promissory notes, securities for money, gift vouchers, stock and share certificates and/or other documents and/or instruments of a negotiable nature, the property of the Insured or for which they are legally responsible but excluding cryptocurrency;</p> <p>PROVIDED THAT:</p> <p>this insurance does not cover Money;</p> <ol style="list-style-type: none"> 1. that is left unattended or arising from the use of keys to any safe/strongroom unless the keys are obtained by violence or threat of violence; 2. contained in any vehicle being used by the Insured unless a principal, director, member, partner or employee of the Insured is actually in such vehicle but this exception shall not apply if the person concerned is incapacitated as a direct result of an accident involving the vehicle.
Documents	<p>shall mean films, photographs, tapes, computer systems records, addressograph plates, books, records, maps, plans, drawings, abstracts, deeds, 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 legally responsible excluding Money.</p> <p>The Insurer’s liability in respect of Documents is limited to the value of the materials as stationery together with the cost of clerical labour expended in writing up but in no event shall the Insurer be liable in respect of the value to the Insured of the information contained therein.</p>

<p>Transit</p>	<p>shall mean the physical relocation of Insured Property other than by sea, inland waterway or international flight, within the Territorial Limits including loading, unloading, and storage or deviations en route unless otherwise specifically insured for such transit.</p> <p>In the event of damage in Transit the Insurer will also pay reasonable costs incurred by the Insured in:</p> <ol style="list-style-type: none"> 1. reloading onto a road vehicle Insured Property which has fallen off; 2. the transfer of Insured Property to another vehicle for final delivery to the original destination or return to the place of despatch necessitated by fire, collision or overturning of any road vehicle operated by or on behalf of the Insured; 3. the removal of debris and site clearance consequent upon the destruction of or damage to the Insured Property. <p>For the purposes of this definition, Transit shall not mean the routine conveyance of portable equipment and personal possessions normally carried about the person or by an individual or the relocation of the Insured Property within the Insured's premises;</p> <p>PROVIDED THAT:</p> <p>this insurance does not cover;</p> <ol style="list-style-type: none"> 1. breakdown of refrigeration equipment; 2. property consigned to or from any place outside the territorial scope of this Policy.
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Specific Exclusions

This Section does not cover Damage to Insured Property:

1. resulting from any peril stated in the Specification to be Specifically Excluded;
2. due to water, whilst the Insured Property is in the open or in any structure not completely roofed unless such property is designed to exist or operate in the open;
3. being vehicles, plant or mobile equipment due to impact or to property in or on such vehicles;
4. due to:
 - 4.1 faulty design or construction of or the removal or weakening of support to any building situated at the Insured's premises;
 - 4.2 workmen engaged in making any structural alterations to any building situated at the Insured's premises;
 - 4.3 excavation on or under land other than excavation in the course of mining operations;
 - 4.4 or occasioned by the settlement or movement of made up ground or by coastal or river erosion;
5. caused by drought;
6. damage caused by material breakout/solidification, unless where applicable caused by an event not otherwise excluded and provided that damage caused by a peril not otherwise excluded resulting from the aforementioned is not hereby excluded;
7. constituting only denting, scratching, chipping or cracking and not affecting the operation of the Insured Property;
8. due to subsidence ground heave or landslip;
9. caused by:
 - 9.1 wear and tear or gradual deterioration;
 - 9.2 shrinkage, loss of weight or evaporation;
 - 9.3 colour, texture or flavour change;
 - 9.4 inherent vice or latent defect;
 - 9.5 fluctuations in atmospheric or climatic conditions or the action of light;

- 9.6 its undergoing any form of processing;
 - 9.7 its undergoing any process of heating or drying;
 - 9.8 the solidification of molten material;
 - 9.9 water as a consequence of the Insured Property undergoing any process necessarily involving the use or application of water;
 - 9.10 contamination;
 - 9.11 dampness in atmosphere, rusting, corrosion, wet or dry rot, mildew, mould, fungi;
 - 9.12 its own settling, cracking, expansion or bulging of buildings and structures;
 - 9.13 the removal or weakening of its support;
 - 9.14 vermin, insects;
 - 9.15 its own electrical, electronic or mechanical derangement or breakdown;
 - 9.16 due to defective workmanship or faults, defects, errors or omissions in design, plan or specification;
- unless, where appropriate, caused by an event not otherwise excluded, and;

PROVIDED THAT:

damage caused by a peril not otherwise excluded resulting from the aforementioned is not hereby excluded;

- 10. due to theft from any unattended vehicle in the custody or control of the Insured unless the property is contained in a completely closed or securely locked portion of the vehicle or the vehicle itself is housed in a securely locked building;
- 11. the result of fraud or dishonesty of directors, employees, partners, trustees or committee members of the Insured other than the loss of Money discovered within 14 days of its theft;
- 12. due to clerical or accounting error or omission or operational error or omission on the part of the Insured or any employee of the Insured;
- 13. by disappearance or by shortage where such loss is revealed only by a routine inventory or periodic stock-taking;
- 14. damaged by the deliberate withholding by the supply authority of water, electricity, gas, fuel, steam or refrigerant;
- 15. caused by pollution or contamination except Damage to the Insured Property caused by:
 - 15.1 pollution or contamination which results from an original insured Peril otherwise covered under this Policy;
 - 15.2 an original insured Peril otherwise covered under this Policy which results from sudden and or incidental pollution or contamination;
- 16. which, at the time of the happening, is insured by or would but for the existence of this Policy be insured by any marine policy or policies, except for any excess beyond the amount payable under the marine policy or policies subject always to the terms, Conditions and Exclusions of this Policy, provide that this exception to Exclusion 2 applies only to property located on land within the Territorial Limits and does not include any deductible;
- 17. being property underground;
- 18. which is left unattended outside any building or security area.

Specific Clauses

1. Brands and Labels

In the event of damage to Insured Property carrying a brand name, trade mark or label or where the sale of such property in any way carries a guarantee or where the sale of such property might have an adverse effect upon the market value of similar property, this insurance extends to include the cost of removing all such brand names, trademarks, labels or guarantees before disposal and determination of the value of the salvage. It is further agreed that, in respect of any containers from which the brand name, trade mark, label or guarantee cannot be removed, the contents shall be removed to plain containers.

In the event of damage to labels or names, the amount payable shall be the cost of re-labelling or reconditioning the property.

2. Destruction of Salvage (Applicable To Stock-In-Trade)

The Insurer will pay a total loss under this Policy on any item of stock in trade which is damaged by an Insured Event and which the Insured elects in consultation with the Insurer to destroy, but in the event of the Insured electing to recondition the damaged property, the Insurer shall be entitled to deduct the salvage value from the settlement amount.

3. Disposal of Salvage

The Insurer agrees that they will not sell or otherwise dispose of any property which is the subject of a claim hereunder without the written consent of the Insured;

PROVIDED THAT:

the Insured can show to the satisfaction of the Insurer that to do so would be prejudicial to their interests, in which event the Insured agrees to allow the Insurer to deduct from the amount of the claim an amount equivalent to the intrinsic value of any such property to the Insured and the Insured will retain such salvage.

4. Fire Protection or Security Installation Inoperative

This Policy shall not be prejudiced in the event of any automatic fire protection or security installation being temporarily inoperative for the purpose of maintenance, repair or alteration to the premises provided that in such event cover shall apply for a period not exceeding 14 (fourteen) days unless the Insurer has agreed thereto.

5. Reinstatement Conditions (Applicable To Stock-In-Trade)

Notwithstanding anything contained in this Policy to the contrary in the event of damage to stock, the basis of indemnification shall be the cost to the Insured for stock and materials in trade at the time of replacement, including delivery to the place where such damage occurred;

PROVIDED THAT:

1. the total value of stock is determined on reasonable estimates of replacement costs;
2. an order for replacement of stock lost or damaged is placed as soon as practicable unless otherwise instructed by the Insurer.

6. Reinstatement Conditions (Not applicable to Mobile Plant, other than forklift trucks, and Mobile Machinery, Stock in Trade, Motor Vehicles, Works of Art and Library Items)

- 6.1 Unless otherwise stated in respect of any specific property, in the event of Damage the basis upon which the amount payable is to be calculated shall be the cost of reinstatement of the property lost, destroyed or damaged which for the purposes of this Clause shall mean the rebuilding or replacement of the Insured Property by new, similar property acceptable to the Insured (the cost of replacement shall be the new installed cost of the property at the time of replacement, including installation costs and all expenses incurred in connection therewith) to a condition equal to but not more extensive than nor superior to the Insured Property when new.
- 6.2 The Work of 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 Insurers not being thereby increased) must be commenced and carried out with reasonable despatch.
- 6.3 The Insured shall have the right to decide whether or not property shall be reinstated following Damage provided that the liability of the Insurers in respect of Insured Property not reinstated shall be the installed new replacement value of such Property less equitable deduction for depreciation commensurate with the age and usage of the Damaged Property at the time of the Damage applied to such new replacement value.

7. Replacement Capacity Conditions (Not applicable to Mobile Plant and Mobile Machinery)

Unless otherwise stated in respect of any specific property, if this Policy includes property other than mobile plant and mobile machinery which has a measurable function, capability or output and which is capable of replacement with a new item or items with similar capability or output then, at the option of the Insured, such property shall be valued for insurance purposes as follows and the values for settlement of any loss or damage in respect thereof shall be on the same basis:

- 7.1 if the property lost or damaged is to be replaced by an item or items which have the same or lesser total function, capability or output, then the insurable value thereof shall be the new installed cost of such replacement item or items as would give the same total function, capability or output as the property lost or damaged;
- 7.2 if the property lost or damaged is to be replaced by an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is no greater than the replacement value of the property lost or damaged then no deductions shall be made from any claim for the improved function, capability or output of the replacement property;
- 7.3 If the property lost or damaged is to be replaced by an item or items which have a greater total function, capability or output and the new installed cost of such replacement property is greater than the replacement value of the property lost or damaged, then the insurable value of such property lost or damaged is either:
 - 7.3.1 the estimated cost of reinstatement of such property lost or damaged as defined in the Reinstatement Conditions Clause; or
 - 7.3.2 that portion of the new installed cost of the replacement item or items which the output of the property lost or damaged bears to the output of the replacement item or items whichever is the lesser.

The difference between the insurable value as defined and the new installed cost of the replacement item or items shall be borne by the Insured;

PROVIDED THAT:

in the event of partial loss or damage where the property is to be repaired, this Policy shall pay the cost of restoration of the property to a condition substantially the same as but not better or more extensive than its condition when new but the liability of the Insurer shall not exceed the sum representing the cost which the Insurer would have been called upon to pay if such Insured Property had been wholly destroyed.

8. Basis of Indemnity in respect of Mobile Plant and Mobile Machinery

- 8.1 Where the market value of the item immediately prior to Damage is equal to or greater than 60% (sixty percent) of the new replacement value:
 - 8.1.1 in the event of total loss or destruction, the rebuilding or replacement of the Insured Property by new, similar property acceptable to the Insured (the cost of replacement shall be the new cost of the property at the time of replacement, including all costs and expenses incurred in connection therewith);
 - 8.1.2 in the event of partial damage, the repair of such damage.
- 8.2 Where the market value of the item immediately prior to Damage is less than 60% (sixty percent) of the new replacement value:
 - 8.2.1 in the event of total loss or destruction, the market value immediately prior to Damage;
 - 8.2.2 in the event of partial damage, the repair of such damage. Provided however that the Insurers shall not be liable for any amount exceeding the market value of the item immediately prior to Damage.

9. Tenants

This Policy shall not be invalidated by any act or neglect on the part of any tenant (or subtenant of such tenant) other than the Insured (where the Insured owns a building) or another tenant or the owner of the building (where the Insured is a tenant) occurring without the knowledge of the Insured as landlord or tenant provided that notice be given to the Insurer as soon as reasonably practicable after the Insured become aware of same.

10. Mortgagee

Any act or omission on the part of the mortgagor occurring without the mortgagee's knowledge shall not prejudice the interest of any mortgagee in this Policy. The mortgagee shall, however, inform the Insurer as soon as any such act or omission comes to its knowledge.

11. Constructive Total Loss

In the event of damaged or undamaged equipment or other property insured in terms of this Policy becoming inaccessible due to the operation of an event not excluded by this Policy, the Insurer agrees to pay the Reinstatement Value of such property or on the agreed basis of settlement as appropriate, except for property not replaced, in which event the Insurers will pay the actual cash value for such property. In the event of the property/equipment being subsequently recovered the salvage will be the property of the Insurers.

12. Temporary Removal

Except insofar as it is otherwise insured the Insured Property is covered whilst temporarily removed elsewhere on the premises stated in the Specification or to any other premises including transport by road, rail or inland waterway anywhere within the territorial limits as stated in the Specification;

PROVIDED THAT:

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

13. Indemnity to Rail Service Provider

The signing by the Insured of an indemnity to any provider of rail services or the acceptance of any special conditions relating to traffic consigned to a private siding shall not invalidate this Policy.

14. Functional Unit

In the event of Loss or Destruction of part of any combination of separate items of Insured Property comprising a functional unit, whether the items are at the same location or not, which renders the remaining part or parts of the unit unusable, Insurers agree to indemnify the Insured for the full value of such functional unit.

15. Valuation of Works of Art, Historical Documents and Manuscripts

The basis for the application of average and for the settlement of any loss or damage in respect of works of art, historical documents and manuscripts shall be the value as certified by a professional valuer prior to the loss.

16. Valuation of Library Items

The basis of valuation and loss settlement in respect of loss or damage to library items which term shall exclude historical documents and manuscripts is to be calculated as the aggregate price paid for all items purchased in the year prior to the period of insurance divided by the number of items purchased in such year multiplied by the total number of items in the library at the time of loss or damage plus 30% (thirty percent).

Should a sum insured greater than the average value be required in respect of a book or periodical then its existence and replacement or intrinsic value must be substantiated by verifiable documentary evidence from a recognized or professional source.

In addition, this Policy also covers costs and expenses incurred in re-indexing as a result of loss or damage.

Specific Conditions

1. Average Clause (Applicable only to Property Damage by Fire & Allied Perils)

Applicable if the Maximum Limit of Liability A or B selected in the Specification

If the Insured Property shall, at the commencement of the insurance period immediately preceding an Occurrence, be collectively of greater value than the Declared Value thereon, the Insured shall be considered as being their own insurer for the difference, and shall bear a rateable share of the loss accordingly.

2. Premium Adjustment (Applicable to Stock if so indicated in the Specification)

The premium, which the Insured has agreed to pay, is based on values of Insured Property declared at inception of the Period of Insurance. The premium is provisional being calculated on 75% (seventy five percent) of the declared values of stock or materials in trade at inception of the Period of Insurance.

The Insured shall declare to the Insurer the value of stock or materials in trade on the last day of each quarter and make such declaration within 30 (thirty) days thereof, such declaration to be signed by the Insured (if an individual) or by a responsible person authorised to sign on behalf of the Insured.

In the event of a declaration not being made within the 30 (thirty) days mentioned above then the Insured shall be deemed to have declared the value declared at inception as the value at risk.

The total of the values declared or deemed to have been declared shall be divided by the number of declarations due to have been made and the premium shall be calculated at the rate or rates on the average declared value. If the resultant 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.

The value of stock or materials in trade declared at inception of the Period of Insurance is as reflected in the Specification.

3. Fire Alarms and Appliances

The premium for this Policy has been calculated after taking into consideration the fire extinguishing appliances and any automatic fire alarms at the described Premises which may have been installed at the commencement of this insurance (or which may be installed subsequently at the request or with the knowledge of the Insurer).

In consideration thereof, the Insured shall maintain all fire extinguishing appliances in efficient working order and with respect to any automatic fire alarm:

- 3.1 carry out the testing and checking requirements referred to on the completion certificate and remedy any defect disclosed;
- 3.2 carry out the maintenance procedures specified by the manufacturers of the equipment;
- 3.3 notify the Insurer immediately of any disconnection of the automatic fire alarm installation likely to leave any area unprotected for 12 (twelve) hours or more;
- 3.4 record details of all events such as alarm faults, tests, maintenance and disconnections and keep such details available for examination by the Insurer's representatives.

Subject to the observance of this undertaking, this Policy shall not be invalidated by any defect in the installation(s) or appliances due to any circumstances unknown to or beyond the control of the Insured.

4. Sprinkler Installations

The premium for this Policy has been calculated after taking into consideration the standard of any sprinkler installation at the described Premises and in consideration thereof the Insured hereby undertakes to:

- 4.1 make a test every working day for the purpose of ascertaining the condition of the circuit between the alarm switch and the control unit (except where it is continuously monitored or is such that one break of wires will not prevent an alarm signal being transmitted (e.g. a ring circuit));
- 4.2 make a test at least once a week for the purposes of ascertaining the condition of:
 - 4.2.1 the connection (if any) with the public fire station, central fire alarm depot or public fire brigade control (unless the fire brigade have given a written undertaking to carry out this test);
 - 4.2.2 the relevant batteries.

N.B. Where the circuit concerned is not continuously monitored test 4.2 must be made every working day;

- 4.3 have a contract with approved installing engineers providing for the maintenance of a half yearly inspection of the system referred to in 4.2.1 above and to obtain from them following each inspection certification that it is in working order;
- 4.4 make a test every week for the purpose of ascertaining that the Alarm Gong is in working order and that the stop valves controlling the individual water supplies and the Installation are fully open;
- 4.5 make tests each week for the purpose of ascertaining that any pumps for the installation can be started both automatically and manually and that in respect of any diesel engine driven pump the battery electrolyte level and density are correct and record the completion of these tests;

- 4.6 make quarterly or half yearly tests, if required by the Insurer to do so, for the purpose of ascertaining that each water supply is in order, and record the particulars of each test;
- 4.7 remedy promptly any defect disclosed by such tests or otherwise.

The Insured shall give notice to the Insurer before any installation is rendered inoperative, or immediately in the event of emergency.

The Insurer shall have access to the Premises at all reasonable times for the purpose of inspecting the sprinkler installation(s).

Specific Extensions

Provided that the Insurer's liability shall not exceed in respect of any one occurrence the amount stated in the Specification, unless the words "Not Insured" appear in the Specification against the specific extension, this Section is extended to indemnify the Insured for:

1. Clearance Costs

Costs necessarily and reasonably incurred by the Insured in demolishing or dismantling Insured Property and in removing debris from the site and providing, erecting and maintaining any hoarding required during such demolition, shoring up or propping and site clearance operations following.

2. Clearance Costs – No Damage Clause

Costs and expenses necessarily and reasonably incurred by the Insured in removing silt, water and debris from any premises or any site within a radius of 10km (ten kilometres) of any premises owned or used by the Insured in connection with the business, in order to regain access to the premises or site and/or to restore original working conditions shall be deemed to constitute Damage within the meaning of the Policy, provided that such costs and expenses are incurred as a result of an occurrence caused by perils insured under this Policy.

3. Municipal or Other Local Authority Plans Scrutiny Fees

Fees for the inspection of municipal or other plans incurred by the Insured as a result of Damage to Insured Property.

4. Protection Fees

Costs necessarily incurred:

- 4.1 for the employment of a watchman to guard any premises following Damage;
- 4.2 in boarding up of windows prior to replacement of damaged glass, removal and reinstallation of fixtures and fittings following such Damage;
- 4.3 for all reasonable precautions taken by the Insured or others on their behalf, to prevent or minimise further Damage or to prevent the imminent occurrence of Damage.

5. Fire Protection System Updating

Where, following the happening of a loss under this Policy, it is necessary for the Insured, in terms of Public Authorities or Automatic Sprinkler Inspection Bureau or Insurers requirements to update or replace the damaged or undamaged (if it has a direct effect on the damaged portion) portion of their Automatic Sprinkler system with an updated or altered design system, the insurance by this section shall indemnify the Insured in respect of the additional costs and expenses up to the limit stated in the Specification.

6. Statutory Duties

Statutory duties and levies actually paid or incurred as a result of Damage for the replacement of the Insured Property.

7. Loss of Rent (Applicable to office premises, consulting rooms, executive dining rooms, canteens, private dwelling houses, clubs and laboratories)

Loss of rent following Damage to office premises, consulting rooms, executive dining rooms, canteens, private dwelling houses, clubs and laboratories but only in respect of the period necessary for reinstatement and for an amount not exceeding 25% (twenty five percent) of the insured value of the building affected or such other amount, if any, as provided for in the Schedule of Limits of Liability. The basis of calculation shall be the rent receivable or payable immediately preceding Damage or its equivalent in rental value.

8. Capital Additions

Damage to alterations, improvements and additions (but not appreciation in value to the Property insured hereby).

9. Deterioration of Undamaged Stock/Equipment

Loss incurred less the amount of any salvage money obtained in the event of undamaged equipment stock and or materials in trade becoming unusable or devalued for any reason whatsoever resulting solely from Damage insured by this Section of the Policy.

10. Damage by Thieves

Damage to receptacles and buildings (including landlord's fixtures and fittings) and all contents, the property of the Insured, or for which they are responsible at the insured premises in the course of Theft or any attempt thereat in addition to the Limit of Liability for Theft.

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

11. Replacement of Keys

The costs of replacing locks, keys, access cards and other remote controlled unlocking devices or anti theft or anti tampering devices to any insured premises following upon the disappearance of any key, magnetic card or other unlocking device 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, access card or other unlocking device.

12. Motor Vehicle Difference In Value

The difference between market value (or other basis of settlement in terms of any more specific insurance) and the new replacement cost of more specifically insured motor vehicles notwithstanding Exclusion 1.7 of Insured Property;

PROVIDED THAT:

12.1 such motor vehicles are parked in a recognised holding area at the time of Damage;

12.2 this indemnity shall apply only in respect of those motor vehicles treated as a total loss or constructive total loss in terms of the more specific insurance.

13. Riot, Strike and Civil Commotion (Only applicable to territories indicated in the Specification)

Damage caused by:

13.1 civil commotion, labour disturbances, riot, strike or lockout;

13.2 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 13.1 above;

PROVIDED THAT:

this insurance does not cover:

1. loss or damage occurring in the Republic of South Africa and Namibia;

2. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;

3. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
4. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
5. loss or damage related to or caused by any occurrence referred to in the General Exclusions any such occurrence. 1.1.2, 1.1.3, 1.1.4, 1.1.5 or 1.1.6 of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with.

If the Insurer alleges that by reason of provisos 1, 2, 3, 4 or 5, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

14. Replacement Spares

The cost of equivalent spares for replacement property to that previously held by the Insured for Insured Property scrapped in consequence of Damage less the amount, if any, realised from the sale of the previously held spares;

PROVIDED THAT:

this clause shall not apply in respect of mobile plant and mobile machinery whose market value prior to damage is less than 30% (thirty percent) of new replacement cost.

15. Power/Gas Supply Clause

This Section is extended to cover loss, destruction, damage or spoilage of stocks caused by an interruption in the supply of water, electric power or gas at the Insured's premises in excess of 72 (seventy two) hours following destruction of or damage to property of any power supply or gas supply authority or company by any peril not hereby excluded up to a limit of R100 000 (one hundred thousand rand) per event.

16. Deterioration of stock extension (fire perils only)

It is hereby declared and agreed that the word Damage in this Section is extended to cover deterioration or putrefaction of stock in the cold chamber of any deep freeze unit due to a rise or fall in temperature as a result of fire perils ;

PROVIDED THAT:

the Insurer will not be liable for:

1. Damage resulting from the deliberate act or any public electricity supply authority or the exercise by any authority of its powers to withhold or restrict supply;
2. Damage covered by any other section of this Policy or any other policy of insurance;
3. the first 10% (ten percent) of the loss, minimum R1 000 (one thousand rand), of each and every claim;
4. more than the limit stated in the Specification, any one event or occurrence.

Subject otherwise to the Terms, Exceptions and Conditions of the Policy.

17. Supplier's or Manufacturers' Guarantee or Warranty

In the event of Damage to property which is the subject of a supplier's or manufacturer's guarantee or warranty, the repair, replacement, rectification or reinstatement of such property shall include everything necessary to preserve, without limitation, reduction, or prejudice, all benefit under such guarantee or warranty.

18. Import Surcharge

Import Surcharges levied in terms of any customs and excise legislation, and the amount payable shall be the actual import surcharges incurred in replacement of property following Damage;

PROVIDED THAT:

the Insurers' liability shall not exceed the amount stated in the Specification.

19. Additional Expenditure

This Policy extends to include additional expenditure incurred for demurrage, dead freight charges and the like following Damage to Property Insured.

20. Subsidence or Landslip

This Section is extended to indemnify the Insured against loss or damage caused by subsidence or landslip, excluding damage:

- 20.1 to any Building (or contents therein) which stands on made-up ground, over mine workings or on any site where there has been a previous occurrence of subsidence, ground heave or landslip;
- 20.2 to land, yards, car-parks, roads, pavements, walls, gates or fences unless a building insured hereby is also affected;
- 20.3 resulting from coastal or river erosion or from any building, demolition or excavation works at the Premises unless resulting from fire, explosion, earthquake or the escape of water from any tank, apparatus or pipe; or
- 20.4 commencing prior to the granting of this insurance;

PROVIDED THAT:

the Insurer's liability shall not exceed in respect of any one occurrence the amount stated in the Specification.

Extensions**1. Acts of Authorities**

Damage sustained by the Insured due to the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any Insured Event or an event which may give rise to Damage insured in terms of this Policy.

2. Fire Brigade Charges

The cost of fire extinguishing and/or water used in connection with an Insured Event where municipalities or local authorities or any other party are empowered to charge such costs to the owners or occupiers of buildings and/or owners of assets.

3. Fire Extinguishers Refill Costs

Costs necessarily incurred by the Insured in respect of the refilling of fire extinguisher appliances following Damage.

4. Fire Extinguishing and Prevention Expenses

Actual and reasonable expenses incurred in extinguishing or containing any fire, or in preventing, or attempting to prevent, any existing fire from causing Damage.

5. Glass Reinstatement

The increased costs in the event of Damage to glass by a cause not excluded by this Policy due to the Insured being obliged in terms of the National Building Regulations or similar legislation to replace with glass of a superior quality including (but not limited to) frames thereof.

6. Professional Fees

Professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of Insured Property following Damage.

It is understood and agreed that the amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the Insured's claim;

PROVIDED THAT:

the Insurer's liability shall not exceed 10% (ten percent) of the cost of reinstatement.

7. Public Authorities Requirements

Such additional costs of repairing or rebuilding the Insured Property as may be 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, Regional, Divisional, Municipal or other Local Authority;

PROVIDED THAT:

1. the amount recoverable under this clause shall not include:
 - 1.1 the cost incurred in complying with any of the aforesaid regulations:
 - 1.1.1 in respect of loss or damage occurring prior to granting this Clause;
 - 1.1.2 in respect of loss or damage not insured;
 - 1.1.3 under which notice had been served upon the Insured prior to the happening of loss or damage;
 - 1.1.4 in respect of undamaged property other than foundations;
 - 1.2 the additional cost that would have been required to make good the property lost or damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
 - 1.3 the amount of any rate, tax, duty, development or other charge or assessment arising out of capital appreciation which may be payable in respect of the Insured Property or by the owner thereof by reason of compliance with any of the aforesaid regulations;
2. the work of rebuilding or repair must be commenced and carried out with reasonable dispatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Insurer under this clause not being thereby increased;
3. if the liability of the Insurer, apart from this Clause, shall be reduced by the application of any of the terms of this Policy, then the liability of the Insurer under this Clause shall be reduced in like proportion.

8. Temporary Repairs and Measures after Loss

Reimbursement of the Insured in respect of all reasonable costs and expenses incurred in effecting temporary repairs and in taking temporary measures as may be reasonably necessary following Damage.

Section B – Accounts Receivable

Insured Events

Damage as a result of accident or misfortune to the Insured's books of account or other business books or records in consequence whereof the Insured are unable to trace or establish the outstanding debit balances in whole or part due to them.

Basis of Loss Settlement

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

1. the difference between:
 - 1.1 the outstanding debit balances; and
 - 1.2 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 Damage; and
3. loss of interest (as defined); and
4. such reasonable collection costs and expenses incurred by the Insured in excess of normal collection costs and expenses made necessary because of such Damage.

Definitions

Outstanding Debit Balances	<p>the total of the outstanding balance as reflected on the Insured's statements at the end of the month preceding the corruption or damage, adjusted for:</p> <ol style="list-style-type: none"> 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 customer's accounts in the period between the date to which said last statement relates and the date of Damage; and 3. any abnormal condition of trade which had or could have had a material effect on the business; <p>so that figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of Damage had Damage not occurred.</p> <p>The cover provided extends to include loss sustained by the Insured in consequence of loss or damage to documents relating to outstanding claims against any rail service provider or suppliers.</p>
Interest on Loans	<p>Interest charges payable by the Insured (in consequence of Damage) on loans arranged to replace the amount of income lost or deferred as a direct result of the Insured's inability to process customers' accounts and thereby reduce outstanding debit balances;</p> <p>PROVIDED THAT:</p> <ol style="list-style-type: none"> 1. the amount payable as indemnity shall be the actual interest incurred by the Insured not exceeding the current customary rate obtainable from recognised financial institutions applied to the difference between: <ol style="list-style-type: none"> 1.1 the outstanding debit balances; and 1.2 the total of the amounts received in respect thereof;

Interest on Loans (cont.)	<p>PROVIDED FURTHER THAT:</p> <p>the indemnity shall not include interest on loans as a result of any act of fraud or dishonesty by any director or partner or employee of the Insured.</p>
Loss of Interest	<p>Loss of interest which the Insured shall incur in consequence of Damage as a direct result of the Insured's inability to process customers' accounts;</p> <p>PROVIDED THAT:</p> <p>the amount payable as indemnity shall be monies earnable by the Insured in accordance with their normal investment procedure on those monies deposited and received directly in response to the Insured's debtors' accounts;</p> <p>PROVIDED FURTHER THAT:</p> <p>the indemnity shall not include interest on loans as a result of any act of fraud or dishonesty by any director or partner or employee of the Insured.</p>

Specific Clauses

1. 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 Insurer 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 certificates shall be prima facie evidence of the particulars and details to which they relate.

2. Temporary Removal for Safekeeping

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 Damaged during such removal or while so located or being returned to the premises, provided the Insured shall notify the Insurer in writing of such removal within 30 (thirty) days thereafter.

3. Transit extension

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 and whilst temporarily at such home or premises.

Section C – Business Interruption

Insured Events

The Insurer will indemnify the Insured in accordance with the provisions hereinafter set out for 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 Material Damage Section of this Policy (Section A)
2. any other material damage insurance covering the interest of the Insured;

but only in respect of Insured Events covered under this Policy (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.

Definitions

Business	All the activities of the Insured as declared to the Insurer and in respect of which the Insured has declared insured values.
Premises	Any location at which the Insured conducts its Business or uses in connection with the Business and/or as per the extended premises definitions.
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.
Indemnity Period	The period beginning with the occurrence of the Damage and ending when the results of the Business cease to be affected in consequence of the Damage but not exceeding the number of months stated in the Specification.
Gross Profit Difference Basis	The amount by which the sum of the turnover and the amount of the closing stock shall exceed the sum of the amount of the opening stock and the amount of the Uninsured Working Expenses. 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 Working Expenses	As stated in the Specification or as otherwise provided by the Insured to the Insurer.
Gross Profit Additions Basis	The sum produced by adding to the Net Profit the amount of all Standing Charges, or if there be no Net Profit, the amount of the Insured Standing Charges less such proportion of any net trading loss.
Insured Standing Charges	As stated in the Specification or as otherwise provided by the Insured to the Insurer.
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. Note: If during the Indemnity Period goods are sold or services are rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by others on the Insured's behalf, the money paid or payable for such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.
Gross Rentals	The money paid or payable to the Insured by tenants in respect of rentals and/or assessed rental value of the Premises and for services rendered.
Gross 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.

Output	The sale or transfer value, as shown in the Insured’s books of goods manufactured or processed by the Insured.
Standing Charges (Standing Charges Only Basis)	The Standing Charges of the Business as declared by the Insured.

<p>Standard Turnover Standard Gross Revenue Standard Gross Rentals</p> <p><i>The Turnover/Gross Revenue/Gross Rentals during that period in the twelve months immediately before the date of Damage which corresponds with the Indemnity Period</i></p>	<p>Special Circumstances Clause to which such adjustment shall be made as may be necessary to provide for the trend of the Business and for the variation in 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 relevant period after the Damage.</p> <p>Note: If the Damage occurs before the completion of the first year’s trading of the Business at the Premises, the value of these items shall be calculated by using values proportionate to the results obtained during the period between the commencement of the Business and the date of the Damage.</p>
<p>Annual Turnover Annual Gross Revenue Annual Gross Rentals</p> <p><i>The Turnover/Gross Revenue/Gross Rentals during the twelve months immediately before the date of the Damage</i></p>	
<p>Rate of Gross Profit</p> <p><i>The rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage</i></p>	
<p>Rate of Standing Charges</p> <p><i>The rate of Insured Standing Charges to Turnover during the financial year immediately preceding the date of Damage</i></p>	
<p>Rate of Wages</p> <p><i>The Rate of Wages to Turnover during the financial year immediately before the date of the Damage</i></p>	

Basis of Loss Settlement

1. Gross Profit (difference basis)

The insurance under this item is limited to loss of Gross Profit due to Reduction in Turnover and Increase in Cost of Working and the amount payable as indemnity hereunder shall be:

- 1.1 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;
- 1.2 in respect of Increase in Cost of Working – the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the 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 (twelve) months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 (twelve) months.

2. Gross Profit (additions basis)

The insurance under this item is limited to loss of Gross Profit due to Reduction in Turnover and Increase in Cost of Working and the amount payable as indemnity hereunder shall be:

- 2.1 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;
- 2.2 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 (twelve) months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 (twelve) months.

3. Gross Rentals

The insurance under this item is limited to loss of Gross Rentals and Increase in Cost of Working and the amount payable as indemnity hereunder shall be:

- 3.1 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;
- 3.2 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 (twelve) months or less, or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 (twelve) months.

4. Gross Revenue

The insurance under this item is limited to Loss of Gross Revenue and Increase in Cost of Working and the amount payable as indemnity hereunder shall be:

- 4.1 in respect of Loss of Gross Revenue – the amount by which the Gross Revenue during the Indemnity Period shall in consequence of the Damage fall short of the Standard Gross Revenue;
- 4.2 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 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 Gross Revenue thereby avoided;

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 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 (twelve) months or less, or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 (twelve) months.

5. Standing Charges

The insurance in respect of Standing Charges is limited to loss due to Reduction in Turnover and Increase in Cost of Working and the amount payable as indemnity hereunder shall, subject to the provisions of the Memo below, be:

- 5.1 in respect of reduction in Turnover – the sum produced by applying the Rate of Standing Charges to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover;
- 5.2 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 the 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 Standing Charges to the amount of the reduction thereby avoided;

less any sum saved during the Indemnity Period in respect of such 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 rentals is less than the annual gross rentals where the maximum indemnity period is 12 (twelve) months or less, or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 (twelve) months.

Memo

In respect of any item insuring Standing Charges only, if the Business of the Insured is trading at a net loss, in computing the amount recoverable, the Rate of Standing Charges shall be reduced by that proportion of the loss that the Standing Charges bears to the total of all costs and charges of the Business.

6. Increased Cost of Working (Applicable to non-income-generating Premises)

This insurance will indemnify the Insured for expenditure, not otherwise recoverable, incurred with the consent of the Insurer, which will not be unreasonably withheld, during the Indemnity Period in consequence of the Damage for the purpose of maintaining normal operation of the Business;

PROVIDED THAT:

the Insurer's liability shall not exceed in respect of any one occurrence the amount stated in the Specification.

Specific Clauses

1. Accountants Clause

Any particulars or details contained in the Insured's books of account or other Business books or documents which may be required by the Insurer for the purpose of investigating or verifying any claim, may be produced and certified by the Insured's auditors or accountants and their certificates shall be prima facie evidence of the particulars and details to which such certificates relate.

2. Delayed Indemnity Period

In the event of interruption of or interference with the Business, as a result of Damage, commencing and/or recommencing at a date later than that of the Damage which gives rise to such interruption or interference, including any delay on account of the Insured making use of accumulated stock, the Insurer shall agree to extend the Indemnity Period by a length of time equivalent to that by which the Business interruption was delayed or interrupted.

The Insurer shall only be liable for loss in terms of this Extension due to interruption of the Business which commences no later than 12 (twelve) months after the date of the Damage and ends no later than the Maximum Indemnity Period thereafter.

3. Output (Alternative Basis) Clause

At the option of the Insured the term output may be substituted for the term Turnover;

PROVIDED THAT:

1. only the term output or the term Turnover shall be operative in connection with any one event resulting in interruption;
2. if the term output be used:
 - 2.1 the Delayed Indemnity Period Clause shall be inoperative;
 - 2.2 the Note after the definition of "Turnover" shall read:

"If during the Indemnity Period goods shall be manufactured or processed elsewhere 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 value of such goods shall be brought into account in arriving at the output during the Indemnity Period."

4. Departmental Clause

If the Business be conducted in departments and/or branches, the independent trading results of which are ascertainable, the provisions of Gross Profit, Gross Rentals, Gross Revenue or Standing Charges (as set out under "Bases of Loss Settlement") shall apply separately to each department and/or branch affected by 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 12 (twelve)), the amount payable shall be proportionately reduced.

5. Salvage Sale

If, following Damage giving rise to a claim under this Section, the Insured shall hold a salvage sale during the Indemnity Period suitable adjustment shall be made in the calculation of the loss.

6. Premium Adjustment

The premium being provisional in that it is calculated on 75% (seventy five percent) of the declared value 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 12 (twelve) during the financial year most nearly concurrent with any period of insurance being less or greater than 75% (seventy five percent) of the sum insured thereon, a pro-rata return or additional premium not exceeding 33% (thirty three percent) of the provisional premium paid for such period of insurance will be made in respect of the difference.

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

Specific Conditions**1. Voidability of Cover**

This insurance shall be void, except with the written agreement of the Insurer, if the Business be wound up or carried on by a liquidator or judicial manager or is permanently discontinued.

2. Claims

On the happening of any Damage in consequence of which a claim may be made under this Section the Insured shall, in addition to complying with General Conditions 3 of this Policy, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or curtail 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 as soon as reasonably practicable after the expiry of the indemnity period, at their own expense (subject to the Claims Preparation Costs extension) deliver to the Insurer 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 Insurer forthwith.

Specific Extensions (Optional)

Provided that the Insurer's liability shall not exceed in respect of any one occurrence the amount stated in the Specification:

1. Additional Increase in Cost of Working

this insurance will indemnify the Insured for additional expenditure not recoverable, in terms of Items 1 to 4 of the Basis of Settlement, incurred with the consent of the Insurers, which will not be unreasonably withheld, during the Indemnity Period in consequence of the Damage for the purpose of maintaining normal operation of the Business.

2. 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 subject to notification to the Insurer within 30 (thirty) days from the date of first occupancy of the additional premises, subject to the maximum limit of indemnity as specified in the Specification under either Gross Profit/Gross Rental/Revenue.

2.1 Contract sites

Any situation not in the occupation of the Insured where the Insured is carrying out a contract.

2.2 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 in the occupation of the Insured.

3. Prevention of Access

Property within a 10 km (ten kilometre) radius of the Insured's Premises, destruction of or physical damage to which shall prevent or hinder the use of the Premises or access thereto, whether the premises or property therein be Damaged or not;

PROVIDED THAT:

the Insurer will not be liable to pay more than 75% (seventy five percent) of the gross profit, gross rentals or revenue sum insured for each and every event or R20 000 000 (twenty million rand), whichever is the lesser.

4. Direct Suppliers and Customers

Damage as per Section A of this Policy, the premises of the Insured's direct suppliers and direct customers and contract sites where the Insured is carrying out a contract, as specified in the Specification. This Extension applies to premises anywhere in the world excluding Angola, Central African Republic, Republic of Congo (Brazzaville), Cote d'Ivoire (Ivory Coast), Cuba, Democratic Republic of Congo, Iran, Japan, Liberia, Libya, Myanmar, North Korea, Somalia, Sudan, Syria, United States of America or its territories or possessions;

PROVIDED THAT:

the Insurer shall not be liable to pay more than 25% (twenty five percent) of the gross profit amount towards any specified supplier/sub-contractor/customer unless stated otherwise in the Specification for each and every claim, not exceeding R20 000 000 (twenty million rand).

5. Public utilities – insured perils only

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;

PROVIDED THAT:

the Company will not be liable to pay more than 75% (seventy five percent) of the gross profit, gross rentals or revenue sum insured for each and every event or R20 000 000 (twenty million rand), whichever is the lesser.

6. Public telecommunications – insured perils only

6.1 property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the Insured;

6.2 the transmission facilities network for the public authority mentioned in 6.1;

PROVIDED THAT:

the Company will not be liable to pay more than 75% (seventy five percent) of the gross profit, gross rentals or revenue sum insured for each and every event or R20 000 000 (twenty million rand), whichever is the lesser.

7. Maximum Demand Charges

maximum demand charges incurred by the Insured during the Indemnity Period in consequence of loss of or damage to the Insured Property, which exceeds the normal rate payable by the Insured and/or those maximum demand charges which are not proportionally reduced in relation to the reduction in the amount of electricity or gas consumed.

8. Hired-in Plant

loss due to interruption or interference with the Business following upon Damage to hired-in plant whilst being used as replacement of Insured Property whether or not such hired-in plant is insured.

9. Royalties

(Not applicable to Machinery breakdown or Electronic Equipment, if insured)

loss of income to the Insured under royalty, licensing fees, or commission agreements between the Insured and another party which is not realisable due to Damage, from any cause not excluded by this Policy, occurring during the Period of Insurance to property of the other party. Such other party referred to herein, may be located anywhere in the world, but such party shall not be an Insured under this Policy.

The amount of the indemnity shall be determined by:

9.1 the loss occurring within the Indemnity Period;

9.2 the difference between the royalties actually realised and that earned during the period in the preceding 12 (twelve) months which corresponds with the Indemnity Period, adjusted as provided for by the Special Circumstances Clause.

The Insured shall, to the extent possible, influence the party with whom the agreement exists to use any other machinery, supplies or locations in order to resume business so as to reduce the amount of loss hereunder and the Insured shall co operate with that party in every way to effect this, but not financially, unless such expenditures shall be authorised by the Insurer.

10. Third Party I.T. Services

loss due to interruption or interference with the Business in consequence of loss of or damage to computer equipment, the property of suppliers of information technology services to the Insured as insured under Section A or C.

11. Public Relations Expenses

(Not applicable to Machinery breakdown, if insured)

the cost of employing suitable public relations personnel to deal with press and public announcements and other necessary activities reasonably incurred in consequence of Damage.

12. Tax Allowance

The non-receipt, whether wholly or partially of any tax allowance which, but for the interruption of the Business in consequence of Damage, would have been granted plus interest lost less any savings as a result of Damage, as a consequence of such non-receipt during the Indemnity Period.

The insurance by this item extends to include the loss of Tax Benefits derived solely from the export of any product which is manufactured at the premises of the Insured or for which the Insured is an agent, following upon an insured event which results in a Shortfall of Turnover as defined.

Provided that such benefits are directly attributed to Export Tax benefits and which may be adjusted by any Tax Allowance or Tax concession which was provided by Statute or any other recognised authority to which the Insured could have had benefit after the date of Damage but because of the Damage could not benefit from such allowance or concession.

13. Depreciation of Undamaged Stock

loss sustained in respect of stocks and materials in trade not directly affected by physical loss or damage which:

13.1 would have been utilised by the Business or sold during the Indemnity Period had the Damage not occurred; and

13.2 cannot be utilised or sold before, or so far as can reasonably be foreseen, after the expiration of the Indemnity Period;

solely due to their obsolescence resulting from changes in designs or elapse of time and the amount payable as indemnity hereunder shall be the value of such goods immediately anterior to the loss or damage less, if the goods be sold for salvage, the net amount realised from such sale.

14. Forward Exchange Losses

This insurance extends to include loss which the Insured may sustain in consequence of Damage which results in the Insured's forward exchange cover in respect of sell contracts entered into exceeding foreign currency receipts

PROVIDED THAT:

the Insurers' liability shall not exceed the sum stated in the Specification.

15. Research Re-Establishment, Expenditure

This insurance shall indemnify the Insured for:

15.1 research establishment and development expenditure lost in consequence of Damage; and

15.2 increase in cost of working incurred in consequence of Damage.

The amount payable as indemnity hereunder shall be limited to:

15.3 the cost of redevelopment of any projects (commenced prior to the Damage) up to the stage reached at the time of the Damage;

15.4 the increased costs incurred by the Insured to return the projects to the point in time which would have been reached had the Damage not occurred;

less any savings in expenditure not incurred in consequence of the Damage.

Payment under this item shall cease once the project is again on schedule but not exceeding the number of months stated in the Specification as the Indemnity Period.

16. Fines and Penalties

This insurance shall indemnify the Insured in respect of all sums that the Insured shall be liable to pay and shall pay in discharge of contracts, cancellation charges or fines or penalties for breach of contract, dead freight and demurrage charges and pre-booked freight on air, land, sea or other means of conveyances and the amount payable as indemnity hereunder shall be such sum as the Insured shall be liable to pay to such contractors in respect of such charges incurred solely in consequence of Damage during the Indemnity Period.

IMPORTANT INFORMATION

For information purposes only – the following does not form part of your insurance contract.

1. You must be informed of any material changes to the details of the Intermediary and us.
2. We may not cancel your policy merely by informing your Intermediary. There is an obligation to make sure the notice has been given to you as required by law.

WARNING

3. Do not sign any blank or partially completed application forms.
4. Complete all forms in ink.
5. Keep all documents handed to you.
6. Make notes as to what is said to you.
7. Don't be pressurised to buy this Policy.
8. Incorrect information or non-disclosure by you may impact on any claims arising from your contract of insurance.

COMPLAINTS PROCEDURE

9. If you have a complaint about the service or the advice you received from your Intermediary, please contact:
Please see disclosure notice attached to the Policy Specification.
10. If you have a complaint about this Policy or the service you received from us, please contact:
Please see disclosure notice attached to the Policy Specification.

Version 5

hollard.co.za
Tel: (011) 351 5000

Underwritten by The Hollard Insurance Company Limited (Reg. No. 1952/003004/06),
a Licensed Non-Life Insurer and an authorised Financial Services Provider

Hollard.