



COMMERCIAL POLICY WORDING

UNDERWRITTEN BY

GUARDRISK 
TAILORED RISK SOLUTIONS

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INTRODUCTION

Subject to the terms, exceptions and conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of the Insured and receipt thereof by or on behalf of the Insurer, the Insurer specified in the Schedule agrees to indemnify or compensate the Insured by payment or, at the option of the Insurer, by replacement, reinstatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under the policy's sections up to the sums insured, limits of indemnity, compensation and other amounts specified.

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

Specific exceptions, conditions and provisions (as set out in the Schedule and policy wording) shall override general exceptions, conditions and provisions.

DEFINITIONS

1. Activities of the Insured

shall mean the full details of all the activities of all operating companies to be insured by this policy as stated in the Schedule.

2. Business description

shall mean the full description of the business operations to be insured by this policy as stated in the Schedule.

3. Condition

shall mean an obligation the Insured must fulfil to enjoy continued cover or receive the benefits of a claim. It may also, if the context so indicates, mean a more onerous term imposed by the Insurer.

4. Date of loss

shall mean the date on which the incident giving rise to the claim/loss occurred.

5. Defined event

shall mean the basic insurance cover offered under each section as modified by extensions, conditions and exclusions.

6. Excess

shall mean the first portion of every loss, damage or liability which shall remain an uninsured amount payable by the Insured in respect of each and every claim.

7. Exclusion

shall mean what is not covered by this policy and which remains uninsured and what shall remain for the Insured's own account in the event of a loss.

8. Extension

shall mean an extension of cover to the basic cover provided by the defined events or that may otherwise be excluded by an exclusion. Extensions can be identified under each section of this policy under the headings "Clauses and Extensions" or "Extensions".

9. Inception date

shall mean the first date set forth in the Schedule.

10. Insured

shall mean the insured including all operating companies to be insured by this policy as stated in the Schedule for their respective rights and interests.

11. Insured amount

shall mean the amount selected by the Insured or any limitation imposed by the Insurer and reflected in the Schedule as representing the maximum liability of the Insurer inclusive of value added tax in the event of a claim for that particular insured event or item but reducible by any applicable excesses, terms, conditions and exclusions. This maximum can be for any one loss, for any number of losses arising out of one event, for any number of losses during any one period of insurance or otherwise as indicated in the policy wordings or the Schedule. Some sections may refer to the "limit of indemnity" or "compensation" and use of such words shall have the same meaning as "insured amount" where the context so implies.

12. Insurer

Guardrisk Insurance Company Limited

PO Box 786015,

Sandton,

2146

Fax No: +27 (0) 11 669-2960

Email: info@guardrisk.co.za

Web: www.guardrisk.co.za

13. Period of insurance

shall mean the period stated in the Schedule, commencing on receipt of the first premium by the Insurer, which premium is due by the Insured and for any subsequent period for which the Insurer has accepted premium. The policy will be in force for a period of 12 (twelve) months if annual or for the month in which the premium is paid if monthly.

14. Premium

shall mean the agreed amount due to the Insurer, as stipulated in the attaching policy Schedule, in South African Rand.

It is a condition of cover that the Insurer is in receipt of the agreed premium at inception of cover, and upon each monthly/annual renewal thereafter. Breach of this condition will result in the Insurer declining liability for all losses.

15. Schedule

shall mean the documentation or subsequent endorsements against this policy, defining the benefits agreed under the various sections of the policy, issued as evidence of this insurance and thereby entitling the Insured to indemnification or compensation.

16. The Act

shall mean The Short-term Insurance Act, 1998 (as amended).

17. The Underwriting Manager

Insurance Underwriting Managers (Pty) Ltd. (2004/022210/07)

38 Whittakers Way, Bedfordview, 2008

Private Bag X10, Gardenview, 2047

Tel: +27 (0) 86 949 444

Fax: +27 (0) 86 949 999

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Web: www.ium.co.za

POLICY INTERPRETATION

This policy is to be interpreted as follows:

1. Excess

To determine the applicable excess, unless specifically indicated to the contrary, the following approach is to apply:

a) Section level excess

Any excess if reflected in the Schedule at a section level shall apply to all such claims payable under the section unless there is a more specific excess reflected as set out in (b) to (d) below in which case such more specific excess shall apply instead

b) Premises excess

Any excess if reflected in the Schedule at a premises level shall apply to all such claims payable for the cover under the reflected premises:

i) and shall replace the excess reflected at a section level but the absence of an excess being reflected in the Schedule for the premises shall not be interpreted to mean that any reflected section level excess is deleted.

ii) unless there is a more specific excess reflected as set out in (c) and (d) below.

c) Building or item excess

Any excess if reflected in the Schedule for a specific building or item shall apply to all such claims payable for the cover under the reflected building or item:

i) and shall replace the excess reflected at a premises or section level but the absence of an excess being reflected in the Schedule for the building or item shall not be interpreted to mean that any reflected premises or section level excess is deleted.

ii) unless there is a more specific excess reflected as set out in (d) below.

d) Specific insured peril, clause or extension excess

Any excess if reflected in the Schedule for a specific insured peril, clause or extension shall apply to all such claims payable for the cover under the reflected insured peril, clause or extension and shall replace the excess reflected at a building, item, premises or section level but the absence of an excess reflected in the Schedule for the insured peril, clause or extension shall not be interpreted to mean that any reflected building, item, premises or section level excess is deleted.

2. Extensions

Some extensions will have their own insured amounts or excesses and these will be stated in the Schedule. These amounts will apply irrespective of whether the extension wording refers to such amounts or not. The cover provided under all extensions will be subject to the terms, conditions, exclusions and limitations otherwise contained in the policy unless such extension specifically indicates that such term, condition, exclusion or limitation has been cancelled, deleted or amended by the extension.

3. Included/not included

The Schedule will indicate whether an insured peril or an extension has been selected to be insured by the use of the word "included" or where no cover has been selected to be in force by the words "not included".

4. Meaning of words

Any word or expression to which a specific meaning has been given in the policy Schedules, any endorsement thereto or the policy wording, shall bear such meaning wherever it may appear.

5. Policy wording and policy Schedule

The Insurer will provide the Insured with a policy wording and a policy Schedule as evidence of the insurance contract and the terms, conditions, exclusions and limitations of the insurance protection provided. The Schedule (and any endorsements thereto), the policy wording and any communications from the Insurer are to be read together to determine the cover provided or excluded. If there is inconsistency between the Schedule and the policy wording then the Schedule is deemed to override the policy wording. The Schedules will make reference to the version of the policy wording that is in force at any point in time.

6. Section, premises, building or item level cover

The Schedules of the various sections may reflect the cover provided (being cover, exclusions, conditions, clauses and extensions) separately at these different levels. Where so reflected, with the exception of excesses, the following interpretation approach is to apply:

a) Section cover information

Cover, exclusions, conditions, clauses and extensions reflected under this heading on the Schedule as being included or applicable shall apply to the entire section.

b) Premises cover information under a section

Cover, exclusions, conditions, clauses and extensions reflected under this heading on the Schedule as being included or applicable shall apply to all cover provided for the specific named or reflected premises only. The absence of repeating section level cover, exclusions, conditions, clauses and extensions under the specific premises shall not be interpreted to mean that they have been deleted.

c) Building or item cover information under a premises or section

Cover, exclusions, conditions, clauses and extensions reflected under this heading on the Schedule as being included or applicable shall apply to all cover provided for the specific named or reflected building or item only. The absence of repeating section or premises level cover, exclusions, conditions, clauses and extensions under the specific building or item shall not be interpreted to mean that they have been deleted.

7. Sections

Unless one section specifically makes reference to another section in the wording, each section has been drafted as a separate standalone section and must be read and interpreted as such. One section must not be used in an attempt to interpret the intended cover under another section. The General section however applies to the entire policy and must be read in conjunction with each of the other sections when interpreting such sections. Any definition, exclusion, condition or provision contained in this General section shall apply to all of the more specific sections unless specifically indicated as deleted, amended or replaced in such more specific section.

8. 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.

GENERAL EXCEPTIONS

1. Asbestos

(Applicable to the broadform liability and employers' liability, extension under the broadform liability section and liability of the buildings combined section)

Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision which would otherwise override a general exception, this policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

2. Computer losses

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

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

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

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

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

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

This exclusion shall not apply to:

- a) loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake, storm, wind, water, hail, snow, aircraft or other aerial devices dropped therefrom, impact by animals, trees, aerials, satellite dishes or vehicles;
- b) the Glass, Employer's Liability, Group Personal Accident or Motor sections; or
- c) 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;

provided that a), b) and c) above:

- a) will not insure any loss, destruction, damage or consequential loss if such loss is not indicated as an included peril, extension or section in this policy;
- b) will not insure any loss, destruction, damage or consequential loss if such loss would not have been insured in the absence of this Computer Losses General exclusion or points a), b) or c) above; and
- c) will not apply to any public liability indemnity.

3. Detention, confiscation and forfeiture

The Insurer shall not be liable for any loss, damage, cost (including but not limited to any legal cost), liability or expense directly or indirectly arising from detention, confiscation, nationalisation, forfeiture, attachment, impounding, capture, seizure, arrest, restraint, detention or requisition, or any process thereof, whether in terms of a court order, or by customs, police, crime prevention units or other officials or authorities.

But this exclusion shall not apply to damage discovered on the return of the property of the Insured if the Insured can provide evidence to the satisfaction of the Insurer that such detention, confiscation or requisition was unjust and without any offence being committed.

4. Communicable Disease

- a) Property Treaty (Re)Insurance - LMA5394

(Applicable to the fire, buildings combined, office contents, business interruption, accounts receivable, accidental damage, business all risks, homeowners, householders and personal all risks sections).

Notwithstanding any provision to the contrary within this (re)insurance agreement, this (re)insurance agreement 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 a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- i) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- ii) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- iii) the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

- b) Liability Sections - LMA5396

Notwithstanding any provision to the contrary within this policy, this policy does not cover all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

For the purposes of this endorsement, loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test for a Communicable Disease.

As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- i) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- ii) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- iii) the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health, human welfare or property damage.

- c) Engineering Sections - LMA5397

(Applicable to electronic equipment, electronic equipment: business interruption, machinery breakdown, machinery breakdown: business interruption, deterioration of stock and plant all risks sections).

Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, damage, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- i) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - ii) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - iii) the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.
- d) Casualty Treaty (Re)Insurance - LMA5399
(Applicable to stated benefits and group personal accident sections).

Notwithstanding any provision to the contrary within this (re)insurance agreement, this (re)insurance agreement excludes all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount incurred by or accruing to the reinsured, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- i) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - ii) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - iii) the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress or damage to human health, human welfare or property damage.
- e) Cargo - JC2020-011
(Applicable to the goods in transit section).

Notwithstanding any provision to the contrary within this insurance, this insurance does not insure any loss, damage, liability, claim, cost or expense of whatsoever nature caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- i) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- ii) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
- iii) the disease, substance or agent can cause or threaten bodily injury, illness, damage to human health, human welfare or property.

5. Nuclear and nuclear causes

(Not applicable to fidelity, stated benefits and group personal accident sections).

a) Nuclear

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:

- i) ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- ii) nuclear material, nuclear fission or fusion, nuclear radiation;
- iii) nuclear explosives or any nuclear weapon;
- iv) nuclear waste in whatever form;

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

b) Nuclear causes

Unless specifically agreed for an insured loss involving nuclear material under determined circumstances, this policy does not cover loss or damage caused directly or indirectly by any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

Nuclear material, nuclear fission or fusion, nuclear radiation, nuclear waste from the use of nuclear fuels, nuclear explosives or any nuclear weapon.

c) Nuclear definitions

i) Nuclear material

is as defined in the Nuclear Materials Act, 1975.

ii) Nuclear fission

means a nuclear reaction in which a heavy nucleus splits spontaneously or on impact with another particle with the release of energy.

- iii) Nuclear fusion
means a nuclear reaction in which atomic nuclei of low atomic number fuse to form a heavier nucleus with the release of energy.
- iv) Nuclear radiation
means the absorption of electromagnetic radiation by a nucleus having a magnetic moment when in an external magnetic field.
- v) Nuclear waste
is as defined in the Nuclear Materials Act, 1975.
- vi) Nuclear fuels
means a substance that will sustain a fission chain reaction so that it can be used as a source of nuclear energy.
- vii) Nuclear explosives
means an explosion involving the release of energy by nuclear fission or fusion or both.
- viii) Nuclear weapon
means a nuclear device designed, used or usable for inflicting bodily harm or property damage.

6. Sanctions

The Insurer shall not be liable to provide any cover, pay any claim, provide any benefit or provide any indemnification under this policy if the Insured is listed, or is included by the respective authorities as a sanctioned, or prohibited entity or individual to do business with or indemnify, under the United Nations resolutions or any trade or economic sanctions, laws or regulations of the European Union, the United Kingdom, the United States of America or South Africa.

7. Theft by false pretences and fraud

(Not applicable to the fidelity section)

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 trickery, false pretences and/or fraud.

8. Transmission and distribution lines

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 is more than 1,000m (one thousand meters) 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.

9. War, riot and terrorism

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

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

- b) This policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 or any similar Act operative in any of the territories to which this policy applies.
- c) Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense.

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

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

GENERAL CONDITIONS

Subject to the provisions of Section 55 of the Short-Term Insurance Act, 1998 (as amended):

1. 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.

2. Alterations to the business

- a) The Insured must immediately advise the Insurer in writing of any changes to the business that may increase the risk or result in an increased chance of destruction, loss or damage to property insured or liability to third parties.
- b) The definition of change referred to in 2 shall include but not be limited to:
 - i) changes in the name of the Insured or directors or partners;
 - ii) changes to the address or location of the business;
 - iii) changes in the nature of the business activities, trade or occupation;
 - iv) alterations in construction of the premises;
 - v) new business products not previously disclosed to the Insurer;
 - vi) change of tenants if the Insured leases out property; and
 - vii) additional premises occupied.
- c) The Insurer may at its own discretion:
 - i) adjust the premium or terms of the policy;
 - ii) require additional terms, conditions or provisions; or
 - iii) cancel the policy in accordance with the provisions of the policy.

3. Amendments

- a) By the Insured

The Insured may request amendments or changes to the policy at any time, by directing these requests to the Insurer via the agreed channel. Any amendment or change that the Insurer agrees to in writing shall apply from the date and time of such agreement.

- b) By the Insurer

This policy or any section may be amended at any time or the terms, conditions and exceptions being altered by the Insurer by giving 31 (thirty-one) days' notice (or such other period as may be mutually agreed upon) to the Insured, in writing by post to the last known address or in writing by fax or email to the last known contact details of the Insured the Insurer has on record.

4. 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.

5. Cancellation

- a) By the Insurer

This policy, policy section or item may be cancelled at any time by the Insurer giving 31 (thirty-one) days' notice in writing (or such other period as may be mutually agreed). 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 6 (Adjustment of Premium).

- b) By the Insured

The Insured may give immediate notice on cancellation. 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 that has been in force.

- c) 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 Schedule for such property or section is settled in terms of a claim.

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

6. Change of interest/disclosure/non-disclosure

- a) 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.
- b) The Insured has the same duty to disclose those matters to the Insurer before the policy is renewed, extended, amended or reinstated.
- c) If the Insured fails 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 nondisclosure.
- d) Further, the cover provided by this policy shall be void with respect to any item insured:
 - i) to which any alteration after the commencement of this insurance takes place; or

- ii) 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.

7. Claims

- a) On the happening of any event which may result in a claim under this policy the Insured shall, at their own expense:
 - i) give notice thereof to the Insurer:
 - a. in respect of theft of vehicles and/or hijacking claims as soon as reasonably possible but in any event within 48 (forty-eight) hours of becoming aware of such event;
 - b. in respect of all other claims as soon as reasonably possible but in any event within 30 (thirty) days of becoming aware of such event;and provide particulars of any other insurance covering such events as are hereby insured;
 - ii) as soon as practicable after the event inform the South African Police Service (and/or the relevant authorities as stated in the territorial area) of any claim involving theft or (if required by the Insurer) loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property;
 - iii) where there is damage resulting from a collision:
 - a. the accident shall be reported to the South African Police Service (and/or the relevant authorities as stated in the territorial area) within 48 (forty-eight) hours of the event occurring;
 - b. a copy of the police accident report shall be forwarded to the Insurer within 10 (ten) days of the event occurring;
 - iv) as soon as practicable after the event submit to the Insurer full details in writing of any claim; and
 - v) give the Insurer such proofs, 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.
- b) No claim (other than a claim under the business interruption, fidelity, stated benefits or group personal accident section or the personal accident (assault) extension under the money section, if applicable) shall be payable after the expiry of 24 (twenty-four) months or such further time as the Insurer may allow from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of the Insured's legal liability to a third party.
- c) No claim shall be payable unless the Insured claims payment by serving legal process on the Insurer within 180 (one hundred and eighty) days of the rejection of the claim in writing and pursues such proceedings to finality.
- d) If, after the payment of a claim in terms of this policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, the Insured shall render all assistance in the identification and physical recovery of such property if called on to do so by the Insurer, provided that the Insured's reasonable expenses in rendering such assistance shall be reimbursed by the Insurer. Should the Insured fail to render assistance in terms of this condition when called upon to do so, the Insured shall immediately become liable to repay to the Insurer all amounts paid in respect of the claim.
- e) The Insurer has the right to indemnify the Insured for loss or damage by any of the following methods:
 - i) repairing;
 - ii) replacing;
 - iii) paying cash; or,
 - iv) any combination of these.

If the Insurer decides to either repair or replace, the Insurers will not be obliged to do so exactly, but only as circumstances reasonably allow. The Insurer may use any supplier or repairer of the Insurer's choice, if the Insurer repairs or replaces any loss or damage.

Before the Insurer finalises or settles any claim, the Insurer may require the Insured to sign an agreement of loss.

8. Collective insurances

If this insurance is a collective Policy then the following amendment is made to General Condition 7(a) (v) above:

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

and General Condition 8 is substituted by the following:

"8. Insurer's rights after an event:

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

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

9. Consent to disclosure

The Insured:

- a) acknowledges that the sharing of information for underwriting and claims purposes (including credit information) between insurers is in the public interest, as it will enable insurers to underwrite policies and assess risks fairly and reduce the incidence of fraudulent claims with a view to limiting premiums.
- b) on behalf of the Insured and of any person represented by the Insured herein, hereby waives their right to privacy with regard to underwriting or claims information (including credit information) provided by the Insured or provided by another person on the Insured's behalf in respect of any insurance policy or claim made or lodged by the Insured.
- c) acknowledges that the insurance information provided by them may be stored in the shared database and used as set out above.
- d) consents to such information being disclosed to any other insurance Insurer or its agent.
- e) acknowledges and agrees that the information may be verified against legally recognised sources or databases.

10. Currency

For the purpose of policy limits, property valuation, excesses and premium considerations, this policy shall be held to apply and respond in South African Rand.

11. Fraud

If any claim under this policy is in any respect fraudulent (including (but not limited to) the deliberate overstatement or exaggeration of the claim) or if any fraudulent means or devices are used by the Insured or anyone acting on their behalf or with their knowledge or consent to obtain any benefit under this policy or if any event is occasioned by the wilful act or with the connivance of the Insured, the benefit afforded under this policy in respect of any such claim shall be forfeited.

12. Inspections, surveys and audits

The Insurer has the right but is not obligated to:

- a) make inspections and surveys at any time;
- b) give the Insured reports on any conditions that the surveyor finds, and
- c) recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. The Insurer does not make safety inspections. The Insurer does not undertake to perform the duty of any person or organisation to provide for the health or safety of workers or the public.

The Insurer does not warrant that conditions:

- a) are safe or healthy, or
- b) comply with laws, regulations, codes or standards.

This condition applies not only to the Insurer, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations on the Insurer's behalf.

The Insurer may examine and audit the Insured's books and records as they relate to this policy, at any time during the policy period of insurance and up to 3 (three) years after the expiration of this policy. Any premium due for exposures that exist but were not reported will be determined by the Insurer's audit. The Insurer will calculate such premiums in accordance with the Insurer's rules, rates and rating plans in effect as of the inception date of the policy.

13. Insurable interest

- a) 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.
- b) 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.
- c) The cover for any such item will start only when the Insurer has given written confirmation and agreed to insure the property.
- d) 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.

14. Insurer's rights after an event

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

- b) The Insured shall, at the expense of the Insurer, do and permit to be done all such things as may be necessary or reasonably required by the Insurer for the purpose of enforcing any rights to which the Insurer shall be, or would become, subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification.
- c) In respect of any section of this policy under which an indemnity is provided for liability to third parties, the Insurer 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 Insurer shall thereafter not be under further liability in respect of such event.

15. 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.

16. Law and jurisdiction

Any dispute between the Insured and the insurers 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 insurers nor bring joint proceedings against the Insurer in the court of any country other than the Republic of South Africa.

17. Misrepresentation, misdescription and non-disclosure

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

18. No rights to other persons

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

19. Other insurance

If, at the time of any event giving rise to a claim under this policy, an insurance policy 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.

In the event of dual insurance, the Insurer will refund only 50% (fifty percent) of the premium received up to a maximum of 90 (ninety) days immediately prior to the discovery of such dual insurance.

20. Premium payment

- a) 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 for each third, sixth or twelfth month, as the case may be. The Insurer shall not be obliged to accept premium tendered to it after the inception date or renewal date or quarter or bi-annual period, as the case may be, but may do so upon such terms as it at its sole discretion may determine.

- b) Where the premium is paid monthly by debit order

The premium is due in advance and, if it is not received by the Insurer by the due date, this policy shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance unless the Insured can show that failure to make payment was an error on the part of their bank or other paying agent.

The due date will be either the 1st (first) day or the 15th (fifteenth) day of every calendar month where premium is payable monthly as agreed and stated in the Schedule.

If the Insurer does not receive the premium by the payment due date, the Insurer will debit the unpaid premium again at the next payment due date. If the Insurer is able to collect both premiums, the policy will remain in force. If the Insurer is unable to collect both premiums, the policy will be cancelled automatically from the due date of the first unpaid premium.

If the Insured puts a stop payment on the premium payment, the policy will be cancelled automatically from the due date of the stopped premium.

- c) Where the premium is paid on an annual deposit premium basis

In the event that the premium required by the Insurer for the annual period of insurance under the policy is on a deposit premium basis, the deposit premium is required to be paid immediately when the policy is accepted or renewed. Should the policy be cancelled before the period of insurance has expired the Insurer will only be liable to refund the premium portion that ensures the policy loss ratio does not exceed 60 (sixty) percent at time of cancellation.

If no premiums have been paid, any claims made will not be settled under this policy.

Reference to the policy period in the Schedule, is deemed to describe premium payment frequency.

21. Prevention of loss

The Insured shall take reasonable steps to:

- a) safeguard and maintain the insured property;
- b) prevent accidents and minimise loss, damage or liability;
- c) maintain in efficient condition all plant, machinery and equipment and ensure that government and other regulations relating to the operation of machinery are observed;
- d) ensure that firefighting and/or fire protection equipment at the premises is installed, maintained, serviced and in working order in accordance with the regulations contained in the National Building Regulations or in any other legislation pertaining to fire protection;
- e) ensure that all property insured (as defined) complies with the National Building Regulations and that plans relating to buildings on the property were duly submitted to and approved by the local authority at the relevant time.

22. Refund of premium

(Applicable where premium is payable quarterly, half-yearly or annually).

Notwithstanding General Condition 23 (reinstatement of cover after loss (not applicable to stock on a declaration basis nor to any section where it is stated to be not applicable)), if there is a total loss of an insured item during the period of insurance, no refund of premium shall be allowed for the unexpired period of insurance from the date of the loss or damage. Should any such item be replaced by the Insurer, a full pro rata premium for the unexpired period shall become payable by the Insured.

23. Reinstatement of cover after loss

(Not applicable to stock on a declaration basis nor to any section where it is stated to be not applicable).

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

24. Voidability of cover

The insurance under this policy shall cease immediately upon the business being:

- a) carried on by a liquidator or judicial manager, or
- b) placed under business rescue, or
- c) permanently discontinued,

unless the written consent of the Insurer has been obtained.

GENERAL PROVISIONS

Subject to the provisions of Section 55 of the Short-Term Insurance Act, 1998 (as amended):

1. Cover under more than one section

The Insurer shall not be liable under more than one section of this policy in respect of liability, loss or damage arising from the same happening in respect of the same liability, loss or damage.

2. Excess

Except where provided for specifically in any section, the amount payable under this policy for each and every loss, damage or liability shall be reduced by the excess stated in the Schedule for the applicable defined event, clause, extension or limitation. Unless otherwise stated, excesses are not cumulative and apply in respect of every occurrence (or series of occurrences arising out of one event) giving rise to a claim.

Where more than one item is the subject of a claim arising out of any one event (or series of events arising out of one original cause or source) and where such items have separate excesses, only one excess will be borne by the Insured. This excess shall be calculated as follows:

- a) where the excesses are stated as fixed currency amounts per item, only the amount of the item with the highest excess will be used once for the entire claim; or
- b) where the excesses are based on a percentage of the claim or sum insured, the excess will be calculated individually for each affected item. Where however such excesses of each item stipulate that the result is subject to a minimum amount, only one minimum amount will be used and it will be the amount of the item with the highest minimum.

If the total amount of any loss exceeds the sum insured/limit of indemnity/compensation for the relevant item or section, the applicable excess will be deducted from the loss and then the relevant sum insured/limit of indemnity/compensation stated in the Schedule will be applied.

3. Holding covered

If the insurers are holding covered on a risk, they will not reject a claim on the grounds that the premium has not been paid at the time of the loss provided that any premium due from the date of initially holding covered is paid before the claim is settled.

4. Interest of others

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

5. Members

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

6. Payments on account

In respect of any section where amounts recoverable from the Insurer are delayed pending finalisation of any claim, payments on account may be made to the Insured, if required, at the discretion of the Insurer.

7. Premium payment

Premium is payable on or before the inception date or renewal date as the case may be.

The Insurer shall not be obliged to accept premium tendered to it after inception date or renewal date as the case may be but may do so upon such terms as it at its sole discretion may determine.

8. Security firms

If an employee of a security firm employed by the Insured under a contract causes loss or damage, the Insurer agrees, if in terms of the said contract the Insured may not claim against the said security firm, not to exercise their rights of recourse against the said security firm.

The Insurer shall not raise as a defence to any valid claim submitted under any section or sub-section of this policy that the Insurer's rights have been prejudiced by the terms of any contract entered into between the Insured and any security provider relating to the protection of the insured property.

9. Value added tax

a) 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 at the ruling rate.

b) VAT inclusive conditions

It is understood and agreed that the monetary amounts as reflected in the sums insured and/or limits of indemnity shall be applied to:

- i) the indemnity or amounts payable in terms of this policy and to which sums the terms, provisions, conditions and limitations of this policy shall apply; and
- ii) value added tax at the current rate as promulgated in legislation relating thereto,

subject to such sums insured/limits of indemnity being adequate to embrace the amounts reflected under (i) and (ii) 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 claims in terms of the policy, provided that the total amount payable for any defined event and value added tax 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 (the excess), such amount shall also be inclusive of value added tax in like manner to the sum insured/limit of indemnity referred to above.

Further, in the event of a change in the rate of VAT during the period of insurance, sums insured, and if appropriate, premiums, shall be adjusted accordingly.

GENERAL CLAUSES AND EXTENSIONS

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

1. 72-hour clause

It is understood and agreed that all loss of or damage to property occurring during any one period of 72 (seventy-two) consecutive hours during the currency of this policy directly caused by:

- a) storm due to an atmospheric disturbance usually so designed by a meteorological institute;
- b) hail and/or thunderstorms and/or tornadoes due to an atmospheric disturbance;
- c) earthquake, tsunami, volcanic eruption;
- d) strike, riot, civil commotion or violent demonstration occurring within the boundaries of 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 (if such peril is insured in terms of this policy).

Whatever period of 72 (seventy-two) consecutive hours is used for the purpose of this clause shall also be used for the purpose of any excess provisions in this policy. An event which continues uninterrupted for a period exceeding 72 (seventy-two) hours shall not, however, be regarded as more than one occurrence for the purposes of the application of the deductible.

The Insurer shall not be liable, however, for any loss occurring before the effective date and time or commencing after the expiration date and time of this policy.

2. Accountants

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 certificate shall be prima facie evidence of the particulars and details to which it relates.

3. Claims preparation costs (if stated as included in the Schedule of each section)

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 Insurer in terms of General Condition 7 Claims or to substantiate the amount of any claim, provided that the liability of the Insurer for such costs in respect of any one claim shall not exceed the insured amounts stated in the Schedule of each section.

This provision specifically does not cover expenses incurred for the services of any public adjuster.

4. Capital additions

(Applicable to fire, buildings combined and office contents sections).

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

5. Cost of demolition and clearing and erection of hoardings

(Applicable to fire, buildings combined, office contents and electronic equipment sections).

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

The Insurer will not pay for any costs or expenses:

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

6. Disposal of salvage

(Applicable to fire, buildings combined, office contents, goods in transit, electronic equipment and business all risks sections).

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

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

7. Fire extinguishing charges

(Applicable to fire, buildings combined, office contents, business all risks and electronic equipment sections).

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

8. Mortgagee/financier

(Applicable to fire, buildings combined and accidental damage sections).

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

9. Municipal plans scrutiny fee

(Applicable to fire, buildings combined and electronic equipment sections).

The insurance includes fees for the inspection of municipal or other plans incurred by the Insured as a result of damage to insured property, provided that the total amount recoverable under any item shall not exceed the sum insured on the property affected.

10. Professional fees

(Applicable to fire, buildings combined and electronic equipment sections).

The insurance of the insured property includes professional fees, including but not limited to architects' and quantity surveyors' fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by an insured peril, but in no case exceeding the percentage (as stated in the Schedule of each section) of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the insured amount on the property affected.

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

11. Public authorities' requirements

(Applicable to fire and buildings combined sections).

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

provided that:

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

12. Reward for information

The Insurer will pay a reward for information that leads to a conviction for arson, malicious damage, and theft of property in connection with property covered under the policy, provided that the liability of the Insurer shall not exceed R25,000 (twenty-five thousand Rand).

13. Riot and strike: excluding loss or damage occurring in the Republic of South Africa and Namibia (if stated as included in the Schedule of each section)

(Applicable to fire, buildings combined, office contents, electronic equipment, accounts receivable, glass, money, goods in transit, business all risks, motor, motor traders internal, motor traders external and contractors' plant all risks sections).

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, these sections are extended to cover loss or damage directly occasioned by or through or in consequence of:

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

provided that this extension does not cover:

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

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

The liability of the Insurer in respect of any one claim shall not exceed the amount stated in the Schedule to each section for this extension.

14. Security costs

(Applicable to the fire, buildings combined, office contents, business all risks, theft, money and electronic equipment).

The Insurer will pay up to the insured amount stated for costs actually and necessarily incurred in employing security services to protect or attempt to protect the insured property following an insured event including the cost of boarding up or temporary repairs or repair of the burglar alarm system following such insured event, provided that:

- a) such insured property is insured against theft under one or more sections stated above under this policy; and,
- b) the maximum amount payable by the Insurer shall not exceed the highest sum insured of all the sections affected a single event.

15. Suppliers and manufacturers guarantees and warranties

In the event of loss or damage by a defined event to insured property which is still the subject of a supplier's or manufacturer's guarantee or warranty, the repair, replacement or reinstatement of such property shall, subject to the basis of indemnification of each section, include everything reasonably necessary to preserve all benefit under such residual guarantee or warranty, provided that the total amount recoverable shall not exceed the sum insured or limit of indemnity of the particular section or item as the case may be.

16. Temporary removal

(Applicable to fire, buildings combined and office contents sections).

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

provided that:

- a) unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the Insurer shall not exceed the percentage (as stated in the Schedule of each section) of the sum insured applicable to any item;
- b) any conditions, warranties, requirements or exceptions that are applicable to the property whilst at its original location shall apply without reservation to the property whilst being temporarily removed; and
- c) the amount payable under this clause shall not exceed the amount that would have been payable had the loss occurred on the part of the premises from which the property is temporarily removed.

17. Temporary repairs and measures after loss

(Applicable to fire, buildings combined, office contents and electronic equipment sections).

The Insurer's liability extends to include all reasonable costs and expenses incurred by the Insured in effecting such temporary repairs and by taking such temporary measures as may be reasonably necessary after a defined event, provided that the liability of the insurers for such costs and expenses shall not exceed the amount stated in the Schedule of each section or any additional amount agreed by the Insurer in writing where necessary.

18. Tenants

(Applicable to fire, buildings combined, office contents, accidental damage and electronic equipment sections).

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

DEFINED EVENTS

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

INSURED PERILS (IF STATED AS INCLUDED IN THE SCHEDULE)**1. Fire and subterranean fire**

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

2. Lightning and thunderbolt

Lightning and thunderbolt including damage caused by power surges arising directly from such lightning strikes.

3. Explosion

Explosion.

4. Earthquake

Earthquake whether arising from mining operations or otherwise, seaquake or volcanic eruption (including tidal wave and/or tsunami originating from earthquake, seaquake or volcanic eruption) but excluding loss of or damage to property in the underground workings of any mine.

5. Weather and water

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

This peril does not cover damage to property:

- a) arising from such property undergoing any process necessarily involving the use or application of water;
- b) caused by tidal wave or tsunami originating from earthquake;
- c) in the underground workings of any mine;
- d) in the open (other than buildings, structures and plant [which term shall not include vehicles] designed to exist or operate in the open) unless so described as being in the open and specifically insured as a separate item in the Schedule;
- e) in any structure not completely roofed unless so described and specifically insured as a separate item in the Schedule; or
- f) being retaining walls unless so described and specifically insured as a separate item in the Schedule.

This peril does not cover:

- a) wear and tear or gradual deterioration;
- b) damage caused or aggravated by:
 - i) leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby. This exception shall not apply to damage caused or aggravated by such leakage or discharge occurring in areas of the buildings not occupied by the Insured;
 - ii) subsidence or landslide or heave; or
 - iii) the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.

6. Impact

Impact for the purposes of this peril shall mean impact by:

- a) aircraft and other aerial devices or articles dropped therefrom (including damage caused by sonic shockwaves or other damage caused by aircraft);
- b) rocks, stones or boulders (excluding impact caused by landslide, or impact caused by the deliberate or wilful or wanton act of any person committed with the intention of causing such damage);
- c) meteorites, asteroids or similar bodies entering the earth's atmosphere;
- d) animals (excluding damage to such animals);
- e) trees (excluding damage to such trees);
- f) aerials or satellite dishes (excluding damage to such aerials or satellite dishes); and/or
- g) vehicles including railway locomotives and rolling stock (excluding damage to such vehicles, railway locomotives and rolling stock or property in or on such vehicles, railway locomotives or rolling stock).

7. Malicious damage

Malicious damage for the purposes of this peril shall mean:

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

- a) movable property which is:
 - i) stolen; or
 - ii) damaged in an attempt to remove it or part of it from any building or premises owned or occupied by the Insured;
- b) movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any building or premises owned or occupied by the Insured;
- c) immovable property owned or occupied by the Insured occasioned by or through or in consequence of:
 - i) the removal or partial removal or any attempt thereof; or
 - ii) the demolition or partial demolition or any attempt thereof:

the said immovable property or any part thereof with the intention of stealing any part thereof;

provided that this peril does not cover:

 - a. damage related to or caused by fire or explosion;
 - b. consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured;
 - c. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
 - d. damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority; or

damage related to or caused by any occurrence referred to in General Exception 9 (A) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

If any building(s) containing insured property becomes unoccupied for 30 (thirty) consecutive days, during the initial 30 (thirty) day unoccupancy period the Insured shall be responsible for the excess reflected in the Schedule next to "Excess: % of claim (additional amount during 30 (thirty) day unoccupancy period)".

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

For the purposes of this peril a building shall be deemed to be unoccupied if more than 80 (eighty) percent of its total floor area is not occupied. The presence of security personnel in the building or on the premises does not in itself constitute occupancy of the building.

8. Leakage and discharge from any sprinkler, drencher system or fire extinguishing installation/appliance

Leakage and discharge from any sprinkler, drencher system or fire extinguishing installation/appliance.

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

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

9. Leakage of oils and chemicals

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

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

- a) if buildings are insured under this section, only oils and chemicals in tanks, pipes or apparatus forming an integral part of such buildings will be covered; and
- b) if contents are insured under this section, only oils and chemicals in tanks, pipes or apparatus as falling under contents will be covered.

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

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

10. Subsidence, landslip and heave

If in the Schedule against this peril the type of cover is reflected as "extended" then this peril does not include:

- a) damage caused or attributable to faulty design or construction of, or the removal or weakening of support to any building situated at the insured premises;

- b) damage caused or attributable to workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises;
- c) damage caused or attributable to excavation on or under land other than excavations in the course of mining operations; or
- d) consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.

If in the Schedule against this peril the type of cover is reflected as "limited" then this peril in addition to points (a) to (d) also does not include:

- e) damage caused or attributable to contraction/shrinkage and/or expansion of soil caused by the moistness/dampness or moisture content of such soil as experienced in clay and other similar soils; or
- f) damage caused by or attributable to inadequate compaction of backfill.

In any action, suit or other proceeding where the Insurer alleges that, by reason of exclusions (a) to (f) any damage is not covered by this peril, the burden of proving the contrary shall be upon the Insured.

11. Charring

Damage (other than by fire) to the insured property caused by its own spontaneous fermentation, heating or combustion, provided that:

- a) the liability of the Insurer shall not exceed the amount stated in the Schedule in respect of any one event;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this peril; and
- c) Specific Condition 1 Average shall not apply to this peril.

12. Theft of internal fixtures and fittings

Theft (or any attempt thereat) of building fixtures and fittings contained inside the buildings or outbuildings described in clause (a) of the definition of property below provided such theft is accompanied by forcible and violent entry into or exit from such buildings.

This peril includes damage to:

- a) such buildings following the forcible and violent entry or exit;
- b) the property described in point 5 of the property definition caused whilst first gaining access to the premises before breaking into the insured buildings or exiting thereafter;
- c) Specific Condition 1 Average shall not apply to this extension.

If any building(s) insured or containing insured property becomes unoccupied for 30 (thirty) consecutive days or more, during the initial 30 (thirty) day unoccupancy period the Insured shall be responsible for the excess reflected in the Schedule next to "Excess (additional amount during 30 (thirty) day unoccupancy period)".

If the unoccupancy period exceeds 30 (thirty) consecutive days, this peril is suspended as regards the property affected from day 31 (thirty-one) unless the Insured before the occurrence of any theft obtains the written agreement of the Insurer to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Insurer. If the Insurer provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the excess reflected in the Schedule next to "Excess (additional amount during any unoccupancy period exceeding 30 (thirty) days)" for any loss occurring during any agreed extended period.

13. Theft of external fixtures and fittings

The Insurer will indemnify the Insured for theft (or any attempt thereat) of external fixtures and fittings at the insured premises, removed by forcible and violent means from the insured building, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

If any building(s) insured or containing insured property becomes unoccupied for 30 (thirty) consecutive days, during the initial 30 day unoccupancy period the Insured shall be responsible for the excess reflected in the Schedule next to "Excess (additional amount during 30 (thirty) day unoccupancy period)".

If the unoccupancy period exceeds 30 (thirty) consecutive days, this peril is suspended as regards the property affected from day 31 (thirty-one) unless the Insured before the occurrence of any theft obtains the written agreement of the Insurer to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Insurer. If the Insurer provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the excess reflected in the Schedule next to "Excess (additional amount during any unoccupancy period exceeding 30 (thirty) days)" for any loss occurring during any agreed extended period.

SPECIFIC EXCEPTIONS

1. Marine policy(ies)

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

2. Volcanic eruption or other convulsion of nature

This section does not cover volcanic eruption or other convulsion of nature (other than subterranean fire which will be covered under the fire peril if indicated as "included" in the Schedule).

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

DEFINITIONS

1. Column references

The column references refer to the under-mentioned:

Column No 1: Buildings

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

Column No 2: Rent

Rent shall mean the number of months' rent, rental value and rental type as stated in the Schedule.

Column No 3: Contents

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

Column No 4: Stock and Materials in Trade

Stock and materials in trade shall be finished goods, works in progress or raw materials still to undergo any process of manufacture.

Column No 5: Miscellaneous Property

Miscellaneous Property shall mean any other specific item(s) stated in the Schedule as being insured.

2. Unoccupied

Shall mean nobody occupies, lives in or uses the building, or that someone uses the building without the Insured's permission and that the property or building(s) is/are vacant. The presence of security personnel in the building or on the premises does not in itself constitute occupancy of the building.

SPECIFIC CONDITIONS

1. Average

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

Every item, if more than one, shall be separately subject to this condition. Unless specifically stated in the Schedule to the contrary, it is deemed that the sum insured represents the value of all property of a like nature to that insured at the premises.

2. Stock declaration conditions (if stated in the Schedule as being applicable)

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

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

The above specific conditions shall apply separately to each stock item (if more than one) that is noted in the Schedule as being subject to the stock declaration condition.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. All other contents

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

2. Alternative replacement conditions (design capacity)

(Applicable to Reinstatement Value Conditions: Applicable to Property Other than Stock in Trade, Motor Vehicles or Customers' Goods).

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

- a) Provisos (i), (ii), (iii) and (iv) of the Reinstatement Value Conditions (Applicable to Property Other than Stock in Trade, Motor Vehicles or Customers' Goods) apply equally to this clause; and
- b) in applying the provisions of Proviso 3 of the Reinstatement Value Conditions, the cost (as provided for in Proviso 3) "which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged" will be increased by such amount payable under the alternative replacement clause which is in excess of that which would have been payable under the Reinstatement Value Conditions clause (Applicable to Property Other than Stock in Trade, Motor Vehicles or Customers' Goods), had it been possible to reinstate or replace the property in terms thereof.

3. Alterations and misdescription

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

4. Beverage leakage

The Insurer will pay for damage to the insured property caused by leakage of beverages from fixed installations including the resultant loss of beverages, provided that:

- a) stock is included and stated in the Schedule;
- b) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- c) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- d) Specific Condition 1 Average shall not apply to this extension.

5. Capital additions

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

6. Cost of demolition and clearing and erection of hoardings

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

7. Damage by wild animals

The Insurer will pay for loss or damage to the property insured as stated in the Schedule caused by wild animals, provided that:

- a) wild animals shall mean those that live freely in the natural surroundings and includes wild baboons or wild monkeys and such wild animals are not kept as pets or farm animals and does not include rodents, moths and vermin;
- b) the Insurer's maximum liability shall not exceed, the amount stated in the Schedule;
- c) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- d) Specific Condition 1 Average shall not apply to this extension.

8. Death of horses

The Insurer will pay for any one event for death of or injury to horses directly resulting from fire, lightning, thunderbolt, explosion, earthquake, theft, aircraft (or articles falling from aircraft), storm, tempest, flood, impact by vehicles or any act committed by anyone with the intention of causing such death or injury, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

9. Death of Koi fish

The Insurer will pay for death of or injury to Koi fish directly resulting from fire, lightning, thunderbolt, explosion, earthquake, theft, aircraft (or articles falling from aircraft), storm, tempest, flood, impact by vehicles or any act committed by anyone with the intention of causing such death or injury. This extension also includes death of Koi fish following water pollution or contamination from chemicals or waste, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

10. Designation of property

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

11. Deterioration of undamaged stocks

The insurance under this item is limited to the deterioration of undamaged stocks due to the Insured's inability to process such stocks following a defined event under this section, provided that:

- a) such stocks would have been utilised by the business had the defined event not occurred;
- b) such stocks cannot be utilised before or, as far as can reasonably be foreseen, after the expiry of 2 (two) years from the date of occurrence; and
- c) the amount payable will be limited to the actual purchase costs incurred by the Insured for such stocks or the actual manufacturing costs incurred in producing such stocks up until the occurrence of the event, less, if the goods are sold for salvage, the net amount realised from such sale.

12. Disposal of salvage

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

13. Documents

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

14. Express delivery and overtime

The Insurer will indemnify the Insured in respect of any extra charges for express delivery, airfreight, overtime, Sunday and holiday rates of wages payable in respect of the necessary and reasonable additional costs incurred by the Insured for effecting repairs or replacement approved by the Insurer, limited to 50% (fifty) percent of the amount which the repair or replacement would have cost had these additional costs not been incurred.

15. Fatal injury

The cover granted by this section includes fatal injury to any principal, partner, director or employee of the Insured sustained whilst on the Insured's premises and occasioned by fire, the Insurer will pay to the executors or administrators of the deceased's estate the sum as stated in the Schedule, provided that a fire brigade attends or is summoned and provided further that death ensues within 3 (three) months of such injury.

16. Fire extinguishing charges

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

17. Fish stock contamination

The Insurer will pay for the accidental death of fish stock (other than Koi fish) in the Insured's dams as a result of lightning damage to the pump or water pollution/contamination of the water by chemicals or wastes, provided that:

- a) fish stock is stated and described in the Schedule;
- b) the Insurer will not be responsible for any claim where the death of the fish arises as a result of disease, sickness or fluctuations in temperature;
- c) the Insured will be responsible for obtaining an independent expert report on the cause of death and submitting same to the Insurer for consideration;
- d) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- e) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- f) Specific Condition 1 Average shall not apply to this extension.

18. Landscaping, water features, statues and playground equipment

The Insurer will cover costs reasonably and necessarily incurred by the Insured for the restoring of landscaped gardens, water features, statues, playground equipment and fixed sprinkler installations situated at the grounds of the insured buildings stated in the Schedule; provided that such loss or damage is caused by:

- a) fire, subterranean fire or explosion;
- b) lightning or thunderbolt;

- c) earthquake;
- d) any deliberate or malicious acts but excluding theft or attempted theft;
- e) impact by vehicles or aircraft or other aerial devices; and/or
- f) firefighting operations or any other emergency service operations;

provided further that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

19. Money and stamps

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

20. Mortgagee/financier

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

21. Municipal plans scrutiny fee

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

22. Professional fees

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

23. Public authorities' requirements

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

24. Railway and other subrogation

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

25. Public supply connections

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

26. Reinstatement value conditions

- a) Applicable to Property Other than Stock in Trade, Motor Vehicles or Customers' Goods

In the event of property other than stock in trade, motor vehicles or customers' goods being damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than the insured property when new, provided that:

- i) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to requirements of the Insured subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;
 - ii) until expenditure has been incurred by the Insured in replacing or reinstating the property, the Insurer shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
 - iii) if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged, exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then the Insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision; and
 - iv) these conditions shall be without force or effect if:
 - a. the Insured fails to intimate to the Insurer within 6 (six) months of the date of damage, or such further time as the Insurer may in writing allow, their intention to replace or reinstate the property; or
 - b. the Insured is unable or unwilling to replace or reinstate the property on the same or another site.
- b) Applicable to Motor Vehicles (Including Customers' Vehicles) If Insured as a Specific Item
 - i) In the event of partial damage to motor vehicles the basis of indemnity shall be the restoration costs to restore the vehicle to its pre-damage condition.
 - ii) In cases where a new vehicle is damaged as a result of a defined event to the extent that it is, in the opinion of the Insurer, beyond economical repair, the basis of indemnity shall be the current purchase price of a new vehicle of the same model to that stolen or damaged or the limit of indemnity stated in the Schedule, whichever is the lesser, provided that if the Insured is able to procure a replacement vehicle for less than the current purchase price, the benefit of such saving will be passed on to the Insurer.

If the Insured is unable or unwilling to replace the vehicle, the basis of settlement will revert to that provided by (iii).

- iii) In cases where a motor vehicle which is not new is damaged as a result of a defined event to the extent that it is in the opinion of the Insurer beyond economical repair, the basis of indemnity shall be the reasonable market value of the vehicle at the time of loss or damage or the sum insured stated in the Schedule whichever is the lesser.
- iv) For the purposes of this extension:
 - a. private type motor vehicle shall mean private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 12 (twelve) persons including the driver) belonging to the insured or customers of the insured (but only if specifically insured as specific items); and
 - b. new vehicle shall mean a private type motor vehicle that has, at the time of the loss or damage, been registered as new in the last 12 (twelve) months and has travelled on average less than 3 500 (three thousand five hundred) kilometres a month since registration. The onus of proving the kilometres travelled by the vehicle shall rest upon the Insured.

c) Applicable to Stock in Trade and Customers' Goods

The basis upon which the amount payable as a result of a defined event in respect of:

- i) customers' goods (other than customers' vehicles) if insured as a specific item is to be calculated shall be either:
 - a. the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new; or
 - b. the repair of the property to a condition substantially the same as, but not better than, its condition when new;
- ii) stock-in trade shall be the cost price to the Insured at the time of the loss;

provided that where the property is not replaced, the terms of this condition will not apply.

27. Removal of fallen trees

This policy is extended to include the costs of removing trees from the Insured's premises that have fallen due to a specific event involving fire, lightning, earthquake, weather, water, impact, malicious damage or subsidence and landslip whether such trees have caused damage to insured property or not and the cost of removing leaning trees that are in danger of causing damage to insured property, provided that:

- a) property belonging to the Insured is covered against such perils under this section of this policy at the specific premises;
- b) the cover provided hereunder shall not operate where such trees were dead prior to such event or were subject to prior rot, decay or disease affecting the strength and stability of the tree(s);
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- d) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- e) Specific Condition 1 Average shall not apply to this extension.

28. Security costs

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

29. Temporary removal

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

30. Temporary repairs and measures after loss

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

31. Tenants

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

32. Workmen

The Insurer's liability to the Insured shall not be affected by any act or omission on the part of any labourer, contractor or employee without the Insured's knowledge. The Insured shall, however, inform the Insurer as soon as such act or omission which is a contravention of any of the terms, exclusions or conditions of this section comes to their knowledge and will be responsible for any additional premium payable from the date any increased hazard shall be assumed by the Insurer.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Accidental damage to sanitary ware

The Insurer will indemnify the Insured against loss or damage as a result of the accidental breakage of sanitary ware being baths, wash basins, sinks, lavatory pans, cisterns, pedestals, splash backs and other sanitary ware, provided that:

- a) such sanitary ware described above form fixed parts of the insured buildings stated in the Schedule;
- b) the Insurer shall not be liable for damage caused by chipping, scratching and any other disfiguration;
- c) this section does not cover damage to glass and/or sanitary ware if the building insured is unoccupied for a period of more than 30 (thirty) consecutive days during the period of insurance, unless the Insured obtains the Insurer's written agreement to continue this extension;
- d) the Insurer shall not be liable for damage to sanitary ware, insofar as responsibility/liability in respect of the same has been undertaken in terms of a lease agreement or otherwise by a tenant of the Insured;

- e) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- f) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- g) Specific Condition 1 Average shall not apply to this extension.

2. Brands and labels

In the event of damage by an insured peril 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, the Insurer agrees to remove all such brand names, trademarks, labels or guarantee before disposing of and determining the value of the salvage. It is further agreed that, on containers from which the brand name, trademark, label or guarantee cannot be removed, the contents shall be removed to plain containers. In the event of loss or damage to labels or names, the amount payable shall be the cost of relabelling and/or reconditioning the property.

3. Deterioration of stock (accidental damage)

The Insurer will indemnify the Insured against loss or damage in the event of deterioration or spoilage of stock or materials in trade in any refrigeration area or in any other temperature-controlled area caused by:

- a) physical and accidental damage to the control equipment;
- b) failure of the power supply from any physical and accidental cause other than by the deliberate act of the Insured or any public supply authority or due to drought or shortage of fuel at any power station; and/or
- c) accidental contamination by any refrigerant fumes.

This cover operates only whilst the unit(s) is the subject of a manufacturer's guarantee or warranty or a maintenance contract with a competent engineer is in place, provided always that:

- a) the Insurer shall not indemnify the Insured in respect of deterioration of stock in trade in consequence of:
 - i) wear and tear or gradual deterioration of the refrigeration machinery;
 - ii) consequential loss;
 - iii) failure of recording devices of temperature monitoring controls; or
 - iv) expendable and exchangeable components of the refrigeration machinery;
- b) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- c) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- d) Specific Condition 1 Average shall not apply to this extension.

4. Fuel contamination

The Insurer will indemnify the Insured for loss or damage due to contamination of fuel in underground storage tanks by water, diesel, petrol or oil.

Following such loss or damage the Insurer will indemnify the Insured for:

- a) the cost of pumping such contaminated fuel from the underground storage tanks; and
- b) the replacement cost of such contaminated fuel;

less the amount of any salvage money obtained for the contaminated fuel, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

5. Generator hire

If, in the event of damage to any electrical reticulation installed on the insured property by an insured peril, it becomes necessary to hire a generator(s) (including power connecting cables and reticulation) in order to continue to provide electrical power to the insured property as existed prior to such damage, then the Insurer will pay for the costs incurred for such hire but only for the period necessary to repair or replace such electrical reticulation, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule; and
- b) Specific Condition 1 Average shall not apply to this extension.

6. Geysers and heat pumps

The Insurer will indemnify the Insured for loss of or damage to geysers, heat pumps, solar geysers, gas geysers, water containers, water tanks, water apparatus, water pipes, drip trays, pans and water heating systems including all relevant components and parts.

The following specific conditions shall apply separately to each item described in the Schedule under this extension and form part of the insured property:

- a) all electrical and/or solar including solar collectors (flat panels/tubes) and heat pumps installed shall be approved by the South African Bureau of Standards and must be earthed for protection against power surges;
- b) all internally installed geysers and/or heat pumps shall be installed by a registered plumbing service and be subject to an Ingress Protection (IP) X1 (IPX1) safety rating;
- c) all externally installed geysers, whether electrical and/or solar including solar collectors (flat panels/tubes) and heat pumps shall be installed by a registered plumbing service and be subject to an IPX4 safety rating;

- d) damage caused as a result of freezing to solar geysers/solar collectors (flat panels/tubes) will be covered only in the event of a solar system (indirect system) containing an approved anti-freeze substance (i.e. propylene glycol diluted with potable water);
- e) gas geysers must be installed by a registered and qualified gas installer and in accordance with the relevant regulations and bylaws; and
- f) when installing geysers, whether electrical and/or solar including solar collectors (flat panels/tubes), the roof structure of the insured building(s) must be capable of bearing the additional weight as a result of the installation(s);

provided that:

- a) the Insurer shall not be liable to pay for loss or damage:
 - i) caused by or aggravated by wear and tear, rust, decay or gradual deterioration;
 - ii) caused by cracking or splitting of the unit;
 - iii) as a result of faulty material or workmanship, inherent vice and latent defects or faulty or defective design;
 - iv) recoverable in terms of manufacturer's warranty;
 - v) as a result of failure or deliberate withholding of supply of water or electricity or fuel; or
 - vi) as a result of lime scale build up in the insured property;
- b) the Insurer shall not be liable to pay for the conversion of standard retrofitted electrical geysers to that of solar powered geysers;
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule, per unit; and
- d) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension and each installation is subject to this excess separately.

7. Inflation escalation

To provide for inflation the insured amounts of the insured contents of Defined Event 1 as stated in the Schedule are automatically increased as follows:

- a) During the period of insurance

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

- b) After the period of insurance

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

- i) Second Year %

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

- ii) Third year %

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

- iii) Fourth year %

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

- iv) Fifth year %

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

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

8. Leakage of fuel

The Insurer will indemnify the Insured for loss or damage resulting from the discharge or leakage, from any cause, of fuel, from fuel pumps and/or underground fuel storage tanks (including loss of such fuel), provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

9. Loss of water

The Insurer will indemnify the Insured for cost of water lost through leakage from pipes in any building, unit or on common property and for which the Insured is responsible to pay, provided that:

- a) the Insurer will only indemnify the Insured for the cost of additional water consumption in the event of a quarterly meter reading of water consumption exceeding the average of the previous four quarterly meter readings by 50% (fifty percent) or more;
- b) the limit of indemnity in respect of cost of lost water shall not exceed the amounts stated in the schedule during any one insurance period;
- c) it is a condition precedent to liability that the Insured shall, on discovery of a leak (by physical evidence or on receipt of abnormally high water reading indicated on the account), take immediate steps to identify and repair the affected leaking apparatus/pipes.

In addition to the above, the Insurer will pay:

- a) for the cost of identifying water leaks on the premises up to the amount stated in the Schedule.
- b) the cost of filling up swimming pools or ponds following maintenance or repairs up to the amount stated in the Schedule.

Provided that:

- c) This extension does not cover:
 - i) cost towards remedial action including repairs to affected apparatus/pipes;
 - ii) losses as a result of:
 - a. leaking taps, geysers, toilet systems, swimming pools or any other water tanks;
 - b. any deliberate acts of the Insured;
 - c. taps left open after being used; or
 - d. any unit left unoccupied for more than 30 (thirty) days consecutively;
- d) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension;
- e) Specific Condition 1 Average shall not apply to this extension.

10. Motors, pumps and other machinery

The insurance under this section is extended to include cover for:

- a) damage to;
 - b) loss of;
 - c) mechanical, electrical and electronic breakdown of;
- machinery owned by the Insured or for which the Insured is legally responsible for being:

- a) automatic gates and motors;
- b) borehole and swimming pool pumps;
- c) fixed diesel pumps;
- d) fixed filtration plants;
- e) garage door machinery;
- f) fixed generators;
- g) submersible pumps;
- h) transformers and electrical switch gear;

including all parts and accessories forming part of the above, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension;
- c) the Insurer shall not be liable for loss or damage:
 - i) as a result inherent vice and latent defects;
 - ii) as a result of wear and tear or gradual deterioration;
 - iii) caused by any wilful act or negligence on the part of the Insured;
 - iv) caused by the operation of a machine when in a materially defective condition;
 - v) recoverable under any warranty;
 - vi) to automatic pool cleaner(s);
- d) the Insurer shall not be liable for consequential loss of any kind whatsoever.
- e) Specific Condition 1 Average shall not apply to this extension.

11. Power surge

The insurance under this section is extended to include damage to the insured property caused by power surges from accidental changes in the power supply of a public authority, provided that:

- a) the main electrical distribution boards of the premises must be protected with surge protectors, lightning arrestors or other protection devices installed to South African National Standard (SANS) 10142 specification;

- b) the Insurer will not compensate the Insured for power surges caused by deliberate power cuts or load shedding;
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- d) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- e) Specific Condition 1 Average shall not apply to this extension.

12. Public supply connections

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

13. Rent

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

a) Rent receivable

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

b) Rent payable

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

c) Rental value

is the actual rental value of the said premises.

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

14. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

15. Signs, blinds, shade nets and canopies

The insurance under this section is extended to include damage to:

- a) external signs, signposts, blinds, shade nets and canopies including signwriting and treatment thereon which is the property of the Insured or for which they are responsible on the insured premises; and
- b) signs and signposts advertising the insured establishment being the property of the Insured or for which they are responsible situated on the Insured's pavement and/or situated elsewhere than on the insured premises;

by any insured peril that is reflected as included under an insured building at the particular premises on the Schedule, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

16. Subsidence and landslip (underground fuel tanks)

The Insurer will indemnify the Insured for damage to underground tanks caused by subsidence and landslip including the loss of fuel in such tanks, provided that this extension does not cover:

- a) damage caused by or attributable to workmen engaged in making structural alterations to underground tanks;
- b) additions or repairs to any buildings situated at the insured premises;
- c) damage attributed to faulty design or construction;
- d) consequential loss of any kind whatsoever except loss of rent more specifically insured under this section;

and further provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

17. Vehicle loads

The insurance under this section is extended to include goods belonging to the Insured at the premises stated in the Schedule outside of normal business hours. Cover is granted whilst contained in or on any vehicles provided that such goods are described as a miscellaneous item in the Schedule.

18. Water pipes

The Insurer will indemnify the Insured for bursting of and other accidental damage to water pipes on the property of the Insured, installed in and forming part of the buildings or structures as stated in the Schedule, provided that:

- a) this extension does not cover structural defects, faulty design, poor workmanship, wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) of any water pipe(s);

- b) only water pipes beyond 1m (one meter) of any geyser, water container, water tank or water apparatus are covered by this extension;
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- d) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- e) Specific Condition 1 Average shall not apply to this extension.

SUB-SECTION A – PROPERTY**DEFINED EVENTS**

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

INSURED PERILS (IF STATED AS INCLUDED IN THE SCHEDULE)**1. Fire and subterranean fire**

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

2. Lightning and thunderbolt

Lightning and thunderbolt including damage caused by power surges arising directly from such lightning strikes.

3. Explosion

Explosion.

4. Earthquake

Earthquake whether arising from mining operations or otherwise, seaquake or volcanic eruption (including tidal wave and/or tsunami originating from earthquake, seaquake or volcanic eruption) but excluding loss of or damage to property in the underground workings of any mine.

5. Weather and water

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

This peril does not cover damage to property:

- a) arising from such property undergoing any process necessarily involving the use or application of water;
- b) caused by tidal wave or tsunami originating from earthquake;
- c) in the underground workings of any mine;
- d) in the open (other than buildings, structures and plant (which term shall not include vehicles) designed to exist or operate in the open) unless so described as being in the open and specifically insured as a separate item in the Schedule;
- e) in any structure not completely roofed unless so described and specifically insured as a separate item in the Schedule;
- f) being retaining walls unless so described and specifically insured as a separate item in the Schedule.

This peril does not cover:

- a) wear and tear or gradual deterioration;
- b) damage caused or aggravated by:
 - i) leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby. This exception shall not apply to damage caused or aggravated by such leakage or discharge occurring in areas of the buildings not occupied by the Insured;
 - ii) subsidence or landslip or heave;
 - iii) the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.

6. Impact

Impact for the purposes of this peril shall mean impact by:

- a) aircraft and other aerial devices or articles dropped therefrom (including damage caused by sonic shockwaves or other damage caused by aircraft);
- b) rocks, stones or boulders (excluding impact caused by landslip, or impact caused by the deliberate or wilful or wanton act of any person committed with the intention of causing such damage);
- c) meteorites, asteroids or similar bodies entering the earth's atmosphere;
- d) animals (excluding damage to such animals);
- e) trees (excluding damage to such trees);
- f) aerials or satellite dishes (excluding damage to such aerials or satellite dishes); or
- g) vehicles including railway locomotives and rolling stock (excluding damage to such vehicles, railway locomotives and rolling stock or property in or on such vehicles, railway locomotives or rolling stock).

7. Malicious damage

Malicious damage for the purposes of this peril shall mean:

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

- a) movable property which is:
 - i) stolen;
 - ii) damaged in an attempt to remove it or part of it from any building or premises owned or occupied by the Insured.
- b) movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any building or premises owned or occupied by the Insured.
- c) immovable property owned or occupied by the Insured occasioned by or through or in consequence of:
 - i) the removal or partial removal or any attempt thereof;
 - ii) the demolition or partial demolition or any attempt thereof:

the said immovable property or any part thereof with the intention of stealing any part thereof.

Provided that this peril does not cover:

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

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

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

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

For the purposes of this peril a building shall be deemed to be unoccupied if more than 80 (eighty) percent of its total floor area is not occupied. The presence of security personnel in the building or on the premises does not in itself constitute occupancy of the building.

8. Leakage and discharge from any sprinkler, drencher system or fire extinguishing installation/appliance

Leakage and discharge from any sprinkler, drencher system or fire extinguishing installation/appliance.

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

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

9. Leakage of oils and chemicals

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

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

- a) if buildings are insured under this section, only oils and chemicals in tanks, pipes or apparatus forming an integral part of such buildings will be covered; and
- b) if contents are insured under this section, only oils and chemicals in tanks, pipes or apparatus as falling under contents will be covered.

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

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

10. Subsidence, landslide and heave

If in the Schedule against this peril the type of cover is reflected as "extended" then this peril does not include:

- a) damage caused or attributable to faulty design or construction of, or the removal or weakening of support to any building situated at the insured premises;
- b) damage caused or attributable to workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises;
- c) damage caused or attributable to excavation on or under land other than excavations in the course of mining operations;
- d) consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.

If in the Schedule against this peril the type of cover is reflected as "limited" then this peril in addition to points (a) to (d) also does not include:

- a) damage caused or attributable to contraction/shrinkage and/or expansion of soil caused by the moistness/dampness or moisture content of such soil as experienced in clay and other similar soils; or
- b) damage caused by or attributable to inadequate compaction of backfill.

In any action, suit or other proceeding where the Insurer alleges that, by reason of exclusions (a) to (f) any damage is not covered by this peril, the burden of proving the contrary shall be upon the Insured.

11. Charring

Damage (other than by fire) to the insured property caused by its own spontaneous fermentation, heating or combustion, provided that:

- a) the liability of the Insurer shall not exceed the amount stated in the Schedule in respect of any one event;
- b) Specific Condition 1 Average shall not apply to this peril.

12. Theft of internal fixtures and fittings

Theft (or any attempt thereat) of building fixtures and fittings contained inside the buildings or outbuildings described in clause (a) of the definition of property below provided such theft is accompanied by forcible and violent entry into or exit from such buildings.

This peril includes damage to:

- a) such buildings following the forcible and violent entry or exit;
- b) the property described in point 5 of the property definition caused whilst first gaining access to the premises before breaking into the insured buildings or exiting thereafter.

If any building(s) insured or containing insured property becomes unoccupied for 30 (thirty) consecutive days or more, during the initial 30 (thirty) day unoccupancy period the Insured shall be responsible for the excess reflected in the Schedule next to "Excess (additional amount during 30 (thirty) day unoccupancy period)".

If the unoccupancy period exceeds 30 (thirty) consecutive days, this peril is suspended as regards the property affected from day 31 (thirty-one) unless the Insured before the occurrence of any theft obtains the written agreement of the Insurer to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Insurer. If the Insurer provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the excess reflected in the Schedule next to "Excess (additional amount during any unoccupancy period exceeding 30 (thirty) days)" for any loss occurring during any agreed extended period.

13. Theft of external fixtures and fittings

The Insurer will indemnify the Insured for theft (or any attempt thereat) of external fixtures and fittings at the insured premises, removed by forcible and violent means from the insured building, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

If any building(s) insured or containing insured property becomes unoccupied for 30 (thirty) consecutive days or more, during the initial 30 (thirty) day unoccupancy period the Insured shall be responsible for the excess reflected in the Schedule next to "Excess (additional amount during 30 (thirty) day unoccupancy period)".

If the unoccupancy period exceeds 30 (thirty) consecutive days, this peril is suspended as regards the property affected from day 31 (thirty-one) unless the Insured before the occurrence of any theft obtains the written agreement of the Insurer to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Insurer. If the Insurer provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the excess reflected in the Schedule next to "Excess (additional amount during any unoccupancy period exceeding 30 (thirty) days)" for any loss occurring during any agreed extended period.

14. Accidental damage: Basic cover

- a) Aerials, Masts and Satellite Dishes

Accidental damage to aerials, masts (including lightning masts) and satellite dishes.

- b) Glass

Accidental breakage of:

- i) glass in windows, skylights, doors, fanlights and verandas;
- ii) mirror glass;

forming fixed parts of the insured building(s).

- c) Glass of stoves and ovens

Accidental damage to glass forming part of any stove or oven being a built-in fixture of the insured buildings.

d) Sanitary ware

Accidental damage to sanitary ware of the insured buildings including but not limited to baths, wash basins, sinks, lavatory pans, cisterns, pedestals and splash backs.

e) Water tanks, water apparatus or water pipes

Accidental damage to water tanks, water apparatus or water pipes the property of the Insured in the buildings described in the schedule.

SPECIFIC CONDITION

1. Average

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

Every item, if more than one, shall be separately subject to this condition. Unless specifically stated in the Schedule to the contrary, it is deemed that the sum insured represents the value of all property described by the item at the premises.

DEFINITIONS

1. Property

shall mean:

- a) buildings (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, or concrete unless otherwise stated in the Schedule) including landlord's fixtures and fittings therein or thereon, plant and equipment forming part of such building and permanent fixtures and fittings thereon including, but not limited to, television and radio aerials, satellite dishes and masts, close circuit TVs and cameras, burglar alarms, fire extinguishing equipment, lightning conductors, air conditioning units, ventilator fans and geysers (including solar geysers and solar geyser heating panels);
- b) all outbuildings (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal or concrete unless otherwise stated in the Schedule) thereto;
- c) railway sidings;
- d) carports (excluding shade netting);
- e) rainwater tanks;
- f) sporting, playground equipment and recreational structures;
- g) walls (except dam walls);
- h) gates, fences (including palisades), gate and fence posts;
- i) tarred, concrete or paved roads, driveways, paths, parking areas or patios;
- j) swimming pools (except pools built above ground level and vinyl lined pools), saunas and jacuzzis;
- k) fixed water features, statues and ponds;
- l) boreholes and well point equipment (including pumps and motors); and
- m) external sign boards and signage affixed to buildings;

on the property of the Insured or property for which they are responsible.

2. Premises

shall mean the premises as stated in the Schedule owned or used by the Insured in connection with the business.

3. Unoccupied

shall mean nobody occupies, lives in or uses the building, or that someone uses the building without the Insured's permission and that the property or building(s) is/are vacant. The presence of security personnel in the building or on the premises does not in itself constitute occupancy of the building.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. All other contents

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

2. Alterations and misdescription

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

3. Capital additions

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

4. Cost of demolition and clearing and erection of hoardings

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

5. Damage by wild animals

The Insurer will pay for loss or damage to the property insured as stated in the Schedule caused by wild animals, provided that:

- a) wild animals shall mean those that live freely in the natural surroundings and includes wild baboons or wild monkeys and such wild animals are not kept as pets or farm animals and does not include rodents, moths and vermin;
- b) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- c) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- d) Specific Condition 1 Average shall not apply to this extension.

6. Death of horses

The Insurer will pay for any one event for death of or injury to horses directly resulting from fire, lightning, thunderbolt, explosion, earthquake, theft, aircraft (or articles falling from aircraft), storm, tempest, flood, impact by vehicles or any act committed by anyone with the intention of causing such death or injury, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

7. Death of Koi fish

The Insurer will pay for death of or injury to Koi fish directly resulting from fire, lightning, thunderbolt, explosion, earthquake, theft, aircraft (or articles falling from aircraft), storm, tempest, flood, impact by vehicles or any act committed by anyone with the intention of causing such death or injury. This extension also includes death of Koi fish following water pollution or contamination from chemicals or waste, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

8. Disposal of salvage

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

9. Documents

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

10. Fatal injury

The cover granted by this section includes fatal injury to any principal, partner, director or employee of the Insured sustained whilst on the Insured's premises and occasioned by fire. The Insurer will pay to the executors or administrators of the deceased's estate the sum as stated in the Schedule, provided that a fire brigade attends or is summoned and provided further that death ensues within 3 (three) months of such injury.

11. Fire extinguishing charges

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

12. Landscaping

The Insurer will pay costs reasonably and necessarily incurred by the Insured for restoring landscaped gardens, fixed sprinkler installations situated at the grounds of the insured buildings stated in the Schedule, provided that such loss or damage is caused by:

- a) fire, subterranean fire or explosion;
- b) lightning or thunderbolt;
- c) earthquake;
- d) any deliberate or malicious acts but excluding theft or attempted theft;
- e) impact by vehicles or aircraft or other areal devices; or
- f) firefighting operations or any other emergency service operations;

provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

13. Locks, keys, tags and remote access devices

In addition to the limit of indemnity stated in the Schedule, the Insurer will indemnify the Insured in respect of the cost of replacing locks, keys, tags and remote access devices to any insured office premises following upon the disappearance of any keys, tags, or devices to such office premises or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such keys, tags or devices, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

14. Money and stamps

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

15. Mortgagee/financier

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

16. Municipal plans scrutiny fee

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

17. Professional fees

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

18. Public authorities' requirements

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

19. Railway and other subrogation

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

20. Reinstatement value conditions

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

- a) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made;
- b) until expenditure has been incurred by the Insured in replacing or reinstating the property, the Insurer shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
- c) if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then the Insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision; and
- d) these conditions shall be without force or effect and the amount payable will revert to the reasonable market value if:
 - i) the Insured fails to intimate to the Insurer within 6 (six) months of the date of damage, or such further time as the Insurer may in writing allow, their intention to replace or reinstate the property; or
 - ii) the Insured is unable or unwilling to replace or reinstate the property on the same or another site.

21. Removal of fallen trees

This policy is extended to include the costs of removing trees from the Insured's premises that have fallen due to a specific event involving fire, lightning, earthquake, weather, water, impact, malicious damage or subsidence and landslip whether such trees have caused damage to insured property or not and the cost of removing leaning trees that are in danger of causing damage to insured property, provided that:

- a) property belonging to the Insured is covered against such perils under this section of this policy at the specific premises;
- b) the cover provided hereunder shall not operate where such trees were dead prior to such event or were subject to prior rot, decay or disease affecting the strength and stability of the tree(s);
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- d) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- e) Specific Condition 1 Average shall not apply to this extension.

22. Security costs

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

23. Temporary removal

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

24. Temporary repairs and measures after loss

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

25. Tenants

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Accidental damage: Extended cover

The insurance under this section is extended to include accidental physical loss or damage to:

- a) buildings and outbuildings;
- b) landlords' fixtures and fittings;
- c) tenants' improvements;
- d) fixed electrical and gas appliances including air conditioning units and burglar alarms,

provided that:

- a) the Insurer shall be liable for loss or damage caused by or resulting from:
 - i) wear and tear or gradual deterioration;
 - ii) depreciation;
 - iii) electrical, electronic or mechanical breakdown;
 - iv) rust or mildew;
 - v) scratching, denting or chipping;
 - vi) domestic pets, vermin, moths or insects or their larvae;
 - vii) any gradually operating cause;
 - viii) any process of dyeing, cleaning or renovating;
 - ix) the action of light or atmospheric conditions; and,
 - x) power surge.
- b) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event;
- c) the amount payable will be reduced by the excess stated in the Schedule for each and every event giving rise to a claim for such damage; and
- d) Specific Condition 1 Average shall not apply to this extension.

2. Commercial glass

The insurance under this section is extended to include loss or damage to internal and external glass (as defined), signwriting and treatment thereon at the insured premises, on the property of the Insured or property for which they are responsible. Cover under this extension also includes:

- a) express delivery of replacement glass by road/rail or airfreight and overtime charges incurred for its fitting;
- b) damage to shop fronts, frames, window displays (including fixtures and fittings);
- c) the cost of removal and reinstallation of fixtures and fittings necessary for the replacement of the damaged glass,

provided that the Insurer shall be liable for:

- a) loss or damage otherwise insured;
- b) glass forming part of stock in trade;
- c) glass which, at inception of this insurance, is cracked or broken unless cover has been agreed by us;
- d) defacement or damage other than fracture through the entire thickness of the glass or any laminate thereof;
- e) the Insurer's liability under this extension shall not exceed the amount stated in the Schedule;
- f) the Insured shall be responsible for the excess stated in the Schedule in respect of each and every event; and,
- g) Specific Condition 1 Average shall not apply to this extension.

If, following loss or damage insured by this section, the Insured is obliged in terms of the National Building Regulations or similar legislation to replace the damaged glass with glass of a superior quality such increased glass replacement costs shall be covered by this extension provided that the total liability of the Insurer shall not be increased beyond the insured amount stated in the Schedule against "Commercial Glass Extension" including any increased or additional costs for frames or other items following the replacement of glass by superior glass.

3. Generator hire

If, in the event of damage to any electrical reticulation installed on the insured property by an insured peril, it becomes necessary to hire a generator(s) (including power connecting cables and reticulation) in order to continue to provide electrical power to the insured property as existed prior to such damage, then the Insurer will pay for the costs incurred for such hire but only for the period necessary to repair or replace such electrical reticulation, provided that:

- a) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event; and
- b) Specific Condition 1 Average shall not apply to this extension.

4. Geysers and heat pumps

The Insurer will indemnify the Insured for loss of or damage to geysers, heat pumps, solar geysers, gas geysers, water containers, water tanks, water apparatus, water pipes, drip trays, pans and water heating systems including all relevant components and parts.

The following specific conditions shall apply separately to each item described in the Schedule under this extension and form part of the insured property:

- a) whether electrical and/or solar including solar collectors (flat panels/tubes) and heat pumps installed shall be approved by the South African Bureau of Standards (SABS) and must be earthed for protection against power surges;
- b) all internally installed geysers and/or heat pumps shall be installed by a registered plumbing service and be subject to an Ingress Protection (IP) X1 (IPXI) safety rating;
- c) all externally installed geysers whether electrical and/or solar including solar collectors (flat panels/tubes) and heat pumps shall be installed by a registered plumbing service and be subject to an IPX4 safety rating;
- d) damage caused as a result of freezing to solar geysers/solar collectors (flat panels/tubes) will only be covered in the event of a solar system (indirect system) containing an approved anti-freeze substance (i.e. propylene glycol diluted with potable water);
- e) gas geysers must be installed by a registered and qualified gas installer and in accordance with the relevant regulations and bylaws;
- f) when installing geysers whether electrical and/or solar including solar collectors (flat panels/tubes) the roof structure of the insured building(s) shall be capable of bearing the additional weight as a result of the installation(s);

provided that:

- a) the Insurer shall not be liable to pay for loss or damage:
 - i) caused by or aggravated by wear and tear, rust, decay or gradual deterioration;
 - ii) caused by cracking or splitting of the unit;
 - iii) as a result of faulty material or workmanship, inherent vice and latent defects or faulty or defective design;
 - iv) recoverable in terms of manufacturer's warranty;
 - v) as a result of failure or deliberate withholding of supply of water or electricity or fuel; or
 - vi) as a result of lime scale build up in the insured property;
- b) the Insurer shall not be liable to pay for the conversion of standard retrofitted electrical geysers to that of solar powered geysers;
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule, per unit; and
- d) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension and each installation is subject to this excess separately.

5. Inflation escalation

To provide for inflation, the insured amounts of the insured contents of defined event 1 as stated in the Schedule are automatically increased as follows:

- a) During the Period of Insurance

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

- b) After the Period of Insurance

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

- i) Second Year %

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

- ii) Third Year %

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

- iii) Fourth Year %

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

iv) Fifth Year %

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

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

6. Loss of water

The Insurer will indemnify the Insured for cost of water lost through leakage from pipes in any building, unit or on common property and for which the Insured is responsible to pay, provided that:

- a) the Insurer will only indemnify the Insured for the cost of additional water consumption in the event of a quarterly meter reading of water consumption exceeding the average of the previous four quarterly meter readings by 50% (fifty percent) or more;
- b) the limit of indemnity in respect of cost of lost water shall not exceed the amounts stated in the schedule during any one insurance period;
- c) it is a condition precedent to liability that the Insured shall, on discovery of a leak (by physical evidence or on receipt of abnormally high water reading indicated on the account), take immediate steps to identify and repair the affected leaking apparatus/pipes.

In addition to the above, the Insurer will pay:

- a) for the cost of identifying water leaks on the premises up to the amount stated in the Schedule.
- b) the cost of filling up swimming pools or ponds following maintenance or repairs up to the amount stated in the Schedule.

Provided that:

- a) This extension does not cover:
 - i) cost towards remedial action including repairs to affected apparatus/pipes;
 - ii) losses as a result of:
 - a. leaking taps, geysers, toilet systems, swimming pools or any other water tanks;
 - b. any deliberate acts of the Insured;
 - c. taps left open after being used; or
 - d. any unit left unoccupied for more than 30 (thirty) days consecutively;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension;
- c) Specific Condition 1 Average shall not apply to this extension.

7. Motors, pumps and other machinery

The insurance under this section is extended to include cover for:

- a) damage to;
- b) loss of;
- c) mechanical, electrical and electronic breakdown of;

machinery owned by the Insured or for which the Insured is legally responsible for being:

- a) automatic gates and motors;
- b) borehole and swimming pool pumps;
- c) fixed diesel pumps;
- d) fixed filtration plants;
- e) garage door machinery;
- f) fixed generators;
- g) submersible pumps;
- h) transformers and electrical switch gear;

including all parts and accessories forming part of the above, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension;
- c) the Insurer shall not be liable for loss or damage:
 - i) as a result inherent vice and latent defects;
 - ii) as a result of wear and tear or gradual deterioration;
 - iii) caused by any wilful act or negligence on the part of the Insured;
 - iv) caused by the operation of a machine when in a materially defective condition;
 - v) recoverable under any warranty;
 - vi) to automatic pool cleaner(s);

- d) the Insurer shall not be liable for consequential loss of any kind whatsoever.
- e) Specific Condition 1 Average shall not apply to this extension.

8. Power surge

The insurance under this section is extended to include damage to the insured property caused by power surges from accidental changes in the power supply of a public authority, provided that:

- a) the main electrical distribution boards of the premises must be protected with surge protectors, lightning arrestors or other protection devices installed to South African National Standard (SANS) 10142 specification;
- b) the Insurer will not compensate the Insured for power surges caused by deliberate power cuts or load shedding;
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- d) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- e) Specific Condition 1 Average shall not apply to this extension.

9. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

10. Signs, blinds, shade nets and canopies

The insurance under this section is extended to include damage to:

- a) external signs, signposts, blinds, shade nets and canopies including signwriting and treatment thereon, the property of the Insured or for which they are responsible on the insured premises;
- b) signs and signposts advertising the insured establishment being the property of the Insured or for which he is responsible situated on the Insured's pavement and/or situated elsewhere than on the insured premises;

by any insured peril that is reflected as included, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

11. Water pipes

The Insurer will indemnify the Insured for bursting and other accidental damage to water pipes on the property of the Insured installed in and forming part of the buildings or structures as stated in the Schedule, provided that:

- a) this extension does not cover structural defects, faulty design, poor workmanship, wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) of any water pipe(s);
- b) only water pipes beyond 1 (one) meter of any geyser, water container, water tank or water apparatus are covered by this extension;
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- d) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- e) Specific Condition 1 Average shall not apply to this extension.

SUB-SECTION B - PUBLIC SUPPLY CONNECTIONS

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

SUB-SECTION C – RENT AND LEVIES

1. Rent

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

2. Levies

Loss of use to the registered owner of time share units during the indemnity period of insurance in consequence of damage by any of the perils specified as to be rendered untenable (including partially untenable),

provided that:

- a) the unit claimed for in terms of this extension must have suffered damage;
- b) the amount payable is limited to the actual value of the levy for one week that the unit is not available; and
- c) the Insurer shall not be liable for payment if a similar unit is available to the registered owner at the insured resort.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Prevention of Access

If property within a 10 (ten) km radius of the premises stated in the Schedule is lost or damaged by a peril defined in sub-section A during the period of insurance and this prevents or hinders the use of or access to the property insured by this section, the Insurer will pay any loss of rent the Insured may incur as a result thereof up to the amount stated in the schedule under sub-section c: rent and levies. The loss of rent calculation will be based on the rent payable immediately preceding the loss or damage or its equivalent rental value.

SUB-SECTION D - LIABILITY (IF STATED TO BE INCLUDED IN THE SCHEDULE)

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

LIMIT OF INDEMNITY

The amount payable inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and other costs and expenses incurred with the Insurer's consent for any one event or series of events with one original cause or source shall not exceed the amount stated in the Schedule.

SPECIFIC EXCEPTIONS

The Insurer will not indemnify the Insured under this sub-section in respect of:

1. injury or damage sustained by:
 - a) any member of the same household as the Insured;
 - b) any person employed by the Insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the Insured; or
 - c) any other person resulting from the ownership of or use by or on behalf of the Insured of mechanically propelled vehicles (except pedal cycles and lawnmowers);
2. damage to property:
 - a) belonging to the Insured;
 - b) in the custody or control of the Insured or any employee of the Insured; or
 - c) caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;
3. liability assumed by agreement unless liability would have attached to the Insured notwithstanding such agreement;
4. liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination provided always that this exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence (this exclusion shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exclusion);
5. the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence (this exclusion shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exclusion);
6. fines, penalties, punitive, exemplary or vindictive damages;
7. damages in respect of judgments delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and eSwatini; or
8. costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in 7 above.

MEMORANDA

1. Where more than one Insured is named in the Schedule, the Insurer will indemnify each Insured separately and not jointly and any liability arising between such Insureds shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule.

Provided that:

the aggregate liability of the Insurer is not increased beyond the limit of indemnity stated, the Insurer will also indemnify as though a separate policy had been issued to each:

- a) in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured;
 - b) any partner or director or member or employee of the Insured (if the Insured so requests) against any claim for which the Insured is entitled to indemnity under this insurance.
2. In respect of this sub-section only, General Exception 1 of the General Exceptions, Conditions and Provisions section is deleted and replaced by the following:

This sub-section does not cover injury, damage or liability directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.
 3. If, at the time of any event giving rise to a claim under this sub-section, indemnity is also provided under any other insurance, this sub-section shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by such other insurance.
 4. Notwithstanding Specific Exception 3 above, if, in terms of a contract with a security firm engaged in the course of the Insured's business (as owner of the premises specified in the Schedule) to protect the Insured's property at the premises stated in the Schedule, the Insured becomes legally liable for the acts or omissions of the employees of the security firm in the course of their employment at these premises, then this sub-section includes such legal liability to the extent that indemnity would have been granted under this sub-section had the said employees been under a contract of service to the Insured and not the security firm, but not exceeding the limit of liability stated in the Schedule for this sub-section.

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

DEFINITIONS**1. Documents**

shall mean films, tapes, addressograph plates, books, records, maps, plans, drawings, abstracts, deeds, wills, mortgages, agreements, manuscripts, letters, certificates, documents and similar written, printed or otherwise inscribed papers used by the Insured in the business and owned by them or for which they are responsible, but unless otherwise stated in the Schedule documents shall not include:

money, current postage or revenue stamps, cancelled and uncanceled coupons, securities, bearer bonds, cheques, drafts and any written order to pay a sum certain in money and any written evidence of indebtedness or obligation and all property carried or held as samples or for sale or for delivery after sale, computer software or computer data carrying media.

2. Electronic data processing equipment

shall mean and is limited to computers and all related hardware, peripherals and computer software and the information or data stored therein or thereon.

SUB-SECTION A: CONTENTS**DEFINED EVENTS**

Loss of or damage to the contents including landlord's fixtures and fittings which are the property of the Insured or for which they are responsible while contained in the offices and/or consulting rooms situated as stated in the Schedule (hereinafter called the office premises) by any of the insured perils reflected below but only if such perils are stated in the Schedule as being included.

INSURED PERILS (IF STATED AS INCLUDED IN THE SCHEDULE)**1. Fire and subterranean fire**

Fire and subterranean fire including damage caused by smoke arising directly out of such fire.

2. Lightning and thunderbolt

Lightning and thunderbolt including damage caused by power surges arising directly from such lightning strikes.

3. Explosion

Explosion.

4. Earthquake

Earthquake whether arising from mining operations or otherwise, seaquake or volcanic eruption (including tidal wave and/or tsunami originating from earthquake, seaquake or volcanic eruption) but excluding loss of or damage to property in the underground workings of any mine.

5. Weather and water

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

This peril does not cover loss of or damage to property:

- a) arising from its undergoing any process necessarily involving the use or application of water;
- b) caused by tidal wave or tsunami originating from earthquake; or
- c) in the underground workings of any mine.

6. Impact

Impact for the purposes of this peril shall mean impact by:

- a) aircraft and other aerial devices or articles dropped therefrom (including damage caused by sonic shockwaves or other damage caused by aircraft);
- b) rocks, stones or boulders (other than impact caused by landslip, the deliberate or wilful or wanton act of any person committed with the intention of causing such damage);
- c) meteorites, asteroids or similar bodies entering the earth's atmosphere;
- d) animals (excluding damage to such animals);
- e) trees (excluding damage to such trees);
- f) aerials or satellite dishes (excluding damage to such aerials or satellite dishes); and
- g) vehicles including railway locomotives and rolling stock (excluding damage to such vehicles, railway locomotives and rolling stock or property in or on such vehicles, railway locomotives or rolling stock).

7. Malicious damage

Malicious damage for the purposes of this peril shall mean:

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

- a) movable property which is:
 - i) stolen; or
 - ii) damaged in an attempt to remove it or part of it from any building or premises owned or occupied by the Insured;
- b) movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any building or premises owned or occupied by the Insured; or
- c) immovable property owned or occupied by the Insured occasioned by or through or in consequence of:
 - i) the removal or partial removal or any attempt thereof; or
 - ii) 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;

provided that this peril does not cover:

- a) damage related to or caused by fire or explosion;
- b) consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured;
- c) damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- d) damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;

damage related to or caused by any occurrence referred to in General Exception 9 (A) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

If any building(s) containing insured property becomes unoccupied for 30 (thirty) consecutive days or more, during the initial 30 (thirty) day unoccupancy period the Insured shall be responsible for the excess reflected in the Schedule next to "Excess (additional amount during 30 (thirty) day unoccupancy period)".

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

For the purposes of this peril a building shall be deemed to be unoccupied if more than 80 (eighty) percent of its total floor area is not occupied. The presence of security personnel in the building or on the premises does not in itself constitute occupancy of the building.

8. Leakage from any sprinkler, drencher system or fire extinguishing installation/appliance

Leakage and discharge from any sprinkler, drencher system or fire extinguishing installation/appliance.

9. Leakage of oils and chemicals

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

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

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

10. Subsidence, landslip and heave

If in the Schedule against this peril the type of cover is reflected as "extended" then this peril does not include:

- a) damage caused by or attributable to faulty design or construction of, or the removal or weakening of support to any building situated at the insured premises;
- b) damage caused by or attributable to workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises;
- c) damage caused by or attributable to excavation on or under land other than excavations in the course of mining operations; or
- d) consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.

If in the Schedule against this peril the type of cover is reflected as "limited" then this peril in addition to points (a) to (d) also does not include:

- a) damage caused or attributable to contraction/shrinkage and/or expansion of soil caused by the moistness/dampness or moisture content of such soil as experienced in clay and other similar soils; or
- b) damage caused by or attributable to inadequate compaction of backfill.

In any action, suit or other proceeding where the Insurer alleges that, by reason of exclusions (a) to (f) any damage is not covered by this peril, the burden of proving the contrary shall be upon the Insured.

11. Charring

Damage (other than by fire) to the insured property caused by its own spontaneous fermentation, heating or combustion, provided that:

- a) the liability of the Insurer shall not exceed the amount stated in the Schedule in respect of any one event;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this peril; and
- c) Specific Condition 1 Average shall not apply to this peril.

12. Accidental damage: glass

Accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture.

13. Theft of contents

Loss of contents or any attempt thereat other than by any principal, partner, director or employee of the Insured.

Specific Condition 1 Average shall not apply to this peril.

14. Theft of contents (forcible and violent entry into or exit restriction)

Theft accompanied by forcible and violent entry into or exit from the offices and/or consulting rooms or any attempt thereat or as a result of theft (or any attempt thereat) following violence or threat of violence, provided that the Insurer will not be liable under this peril for theft or attempted theft by any principal, partner, director or employee of the Insured.

Specific Condition 1 Average shall not apply to this peril.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Alterations and misdescription

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

2. Capital additions

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

3. Cost of demolition and clearing and erection of hoardings

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

4. Damage by wild animals

The Insurer will pay for loss or damage to the office contents stated in the Schedule caused by wild animals, provided that:

- a) wild animals shall mean those that live freely in the natural surroundings and includes wild baboons or wild monkeys and such wild animals are not kept as pets or farm animals and does not include rodents, moths and vermin;
- b) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- c) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension;
- d) Specific Condition 1 Average shall not apply to this extension.

5. Death of Koi fish

The Insurer will pay for death of or injury to Koi fish directly resulting from fire, lightning thunderbolt, explosion, earthquake, theft, aircraft (or articles falling from aircraft), storm, tempest, flood, impact by vehicles or any act committed by anyone with the intention of causing such death or injury. This extension also includes death of Koi fish following water pollution or contamination from chemicals or waste, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- c) Specific Condition 1 Average shall not apply to this extension.

6. Disposal of salvage

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

7. Fatal injury

The cover granted by this section includes fatal injury to any principal, partner, director or employee of the Insured sustained whilst on the Insured's premises and occasioned by:

- a) fire, provided that a fire brigade attends or is summoned; or
- b) outward and visible violence caused by burglars,

the Insurer will pay to the executors or administrators of the deceased's estate the sum as stated in the Schedule, provided that death ensues within 3 (three) months of such injury.

8. Fire extinguishing charges

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

9. Limitations clause

The Insurer's liability under this sub-section is restricted in respect of documents, manuscripts, business books, plans, designs, patterns, models and moulds to the value of materials and sums expended in labour.

10. Locks, keys, tags and remote access devices

In addition to the limit of indemnity stated in the Schedule, the Insurer will indemnify the Insured in respect of the cost of replacing locks, keys, tags and remote access devices to any insured office premises following upon the disappearance of any keys, tags, or devices to such office premises or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such keys, tags or devices, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension;
- c) Specific Condition 1 Average shall not apply to this extension.

11. New and additional premises

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

- a) the Insured shall, within a reasonable time of taking occupation, advise the Insurer thereof and pay additional premium calculated pro rata from the time of taking occupation until the end of the then-current period of insurance; and
- b) this clause shall not apply to any loss if and so far as the same is otherwise insured.

12. Property owned by partners, directors or employees of the insured

Loss or damage to property owned by any partner, director or employee of the Insured while contained in the offices and/or consulting rooms situated as stated in the Schedule (hereinafter called the office premises) by any of the perils specified above under sub-section A Contents, provided that:

- a) cover will apply only to loss or damage by those insured perils that are reflected as included under sub-section A (Contents) in the Schedule;
- b) cover will not apply if such property is insured against loss or damage by such perils by any other insurance;
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- d) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

13. Property of visitors, guests or customers

In addition to any amount payable, the Insurer will also pay for loss of or damage to personal property and pedal cycles of visitors, guests or customers of the Insured at the insured premises in so far as such property is not otherwise insured but limited in the case of any one person up to the amount stated in the Schedule and the amount stated in the Schedule in the aggregate for any event and subject to the defined events.

14. Removal of fallen trees

This policy is extended to include the costs of removing trees from the Insured's premises that have fallen due to a specific event involving fire, lightning, earthquake, weather, water, impact, malicious damage or subsidence and landslip, whether such trees have caused damage to insured property or not, and the cost of removing leaning trees that are in danger of causing damage to insured property, provided that:

- a) property belonging to the Insured is covered against such perils under this section of this policy at the specific premises;
- b) the cover provided hereunder shall not operate where such trees were dead prior to such event or were subject to prior rot, decay or disease affecting the strength and stability of the tree(s);
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- d) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension; and
- e) Specific Condition 1 Average shall not apply to this extension.

15. Replacement value condition

The basis upon which the amount payable for a claim in respect of contents is calculated shall be either:

- a) the replacement of the contents by similar property in a condition equal to but not better or more extensive than its condition when new; or
- b) the repair of the contents to a condition substantially the same as but not better than its condition when new;

provided that:

- a) if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the contents had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the time of the loss or damage, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly;
- b) Proviso 1 shall not apply to:
 - i) a loss as a result of the insured peril Theft (if insured);
 - ii) a loss as a result of the insured peril Theft of contents (forcible and violent entry into or exist from) (if insured);

- iii) a loss as a result of the insured peril Accidental damage: Glass (if insured);
- iv) a loss as a result of the Power surge extension (if insured); or
- v) the property owned by any partner, director or employee of the Insured extension (if insured).

16. Skeleton keys

Subject to proof by the Insured to the satisfaction of the Insurer that entry into or exit from the insured premises has been effected by the use of a skeleton key or other similar device (other than a duplicate key) this shall constitute forcible and violent entry or exit for the purposes of the insured peril of theft that requires such forcible and violent entry or exit.

17. Security costs

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

18. Temporary removal

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

19. Temporary repairs and measures after loss

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

20. Tenants

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Generator hire

If, in the event of damage to any electrical reticulation installed on the insured property by an insured peril, it becomes necessary to hire a generator(s) (including power connecting cables and reticulation) in order to continue to provide electrical power to the insured property as existed prior to such damage, then the Insurer will pay for the costs incurred for such hire but only for the period necessary to repair or replace such electrical reticulation, provided that:

- a) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event; and
- b) Specific Condition 1 Average shall not apply to this extension.

2. Geysers and heat pumps

The Insurer will indemnify the Insured for loss of or damage to geysers, heat pumps, solar geysers, gas geysers, water containers, water tanks, water apparatus, water pipes, drip trays, pans and water heating systems including all relevant components and parts.

The following specific conditions shall apply separately to each item described in the Schedule under this extension and form part of the insured property:

- a) whether electrical and/or solar including solar collectors (flat panels/tubes) and heat pumps installed shall be approved by the South African Bureau of Standards (SABS) and must be earthed for protection against power surge;
- b) all internally installed geysers and/or heat pumps shall be installed by a registered plumbing service and be subject to an Ingress Protection (IP) X1 (IPX1) safety rating;
- c) all externally installed geysers whether electrical and/or solar including solar collectors (flat panels/tubes) and heat pumps shall be installed by a registered plumbing service and be subject to an IPX4 safety rating;
- d) damage caused as a result of freezing to solar geysers/solar collectors (flat panels/tubes) will be covered only in the event of a solar system (indirect system) containing an approved anti-freeze substance (i.e. propylene glycol diluted with potable water);
- e) gas geysers must be installed by a registered and qualified gas installer and in accordance with the relevant regulations and bylaws; and
- f) when installing geysers whether electrical and/or solar including solar collectors (flat panels/tubes) the roof structure of the insured building(s) are capable of bearing the additional weight as a result of the installation(s);

provided that:

- a) the Insurer shall not be liable to pay for loss or damage:
 - i) caused by or aggravated by wear and tear, rust, decay or gradual deterioration;
 - ii) caused by cracking or splitting of the unit;
 - iii) as a result of faulty material or workmanship, inherent vice and latent defects or faulty or defective design;
 - iv) recoverable in terms of manufacturer's warranty;
 - v) as a result of failure or deliberate withholding of supply of water or electricity or fuel; or
 - vi) as a result of lime scale build up in the insured property;
- b) the Insurer shall not be liable to pay for the conversion of standard retrofitted electrical geysers to that of solar powered geysers;
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule per unit; and
- d) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension and each installation is subject to this excess separately.

3. Inflation escalation

To provide for inflation, the insured amounts of the insured contents of defined event 1 as stated in the Schedule are automatically increased as follows:

a) During the period of insurance

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

b) After the period of insurance

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

i) Second year %

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

ii) Third year %

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

iii) Fourth year %

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

iv) Fifth year %

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

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

4. Power surge

The insurance under this section is extended to include damage to the insured property caused by power surges from accidental changes in the power supply of a public authority, provided that:

- a) this peril does not cover power surges arising from lightning;
- b) the main electrical distribution boards of the premises must be protected with surge protectors, lightning arrestors or other protection devices installed to South African National Standard (SANS) 10142 specification;
- c) the Insurer will not compensate the Insured for power surges caused by deliberate power cuts or load shedding;
- d) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- e) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension; and
- f) Specific Condition 1 Average shall not apply to this extension.

5. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

SPECIFIC CONDITION

1. Average

If the property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition. Unless specifically stated in the Schedule to the contrary, it is deemed that the sum insured represents the value of all property of a like nature to that insured at the premises.

SPECIFIC EXCEPTIONS

The Insurer's liability for contents does not cover:

- 1. property outside the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi and Mozambique;
- 2. designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of sub-section A Contents), stock in trade, samples, motor vehicles and accessories therefor, money, securities, stamps, jewellery or precious stones;
- 3. consequential loss;
- 4. electronic data processing equipment; or
- 5. documents as set out in sub-section C: Documents.

1. Burglar alarm warranty

It is a condition precedent to the liability of the Insurer that a burglar alarm system will be installed in all premises stated in the Schedule to be subject to this condition and the Insured warrants that:

- a) the burglar alarm installed in the premises shall be fully activated whenever the premises is not open for normal business unless any principal, partner, director or employee is in or on the premises;
- b) the burglar alarm installed in the premises shall have adequate passive infrared motion detectors or beams installed to cover all entry or exit points (doors of any kind or description and all windows whether opening or not);
- c) the passive infrared motion detectors or beams of the required alarm system are not obstructed or bypassed; and
- d) the insurance shall not cover loss of or damage to property following the use of keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured unless such keys, keypad code or remote control were obtained by violence or threat of violence to any person.

It is further warranted by the Insured that:

- a) they have a contract for burglar alarm services and such services shall include the services of a 24 (twenty-four) hour armed response unit;
- b) the control panel shall have an event log and the arming and disarming of the alarm shall be logged;
- c) after the occurrence of a claim, the Insurer will be entitled to request full information of the relevant event log; and
- d) such alarm will be maintained in proper working order but the Insured shall be deemed to have discharged their liability if they have maintained their obligations under a maintenance contract with the installation/service company of the alarm system;

provided that:

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.

2. Burglar bars warranty

It is hereby declared and agreed that theft cover is subject to safety/security gates being fitted to all the windows (which can at the discretion of the Insured be openable, including inter alia louvre windows) of the building(s) situated on the premises as stated in the Schedule. The following special exceptions will be applicable should the Insured not comply with this requirement in respect of any property that is insured under this section:

Special Exceptions

This section does not cover any loss or damage or claim directly or indirectly occasioned by or through or in consequence of:

- a) theft or any attempt thereat (if insured under this section);
- b) theft (or attempt thereat) accompanied by forcible and violent entry into or exit from the buildings; or
- c) the actions of persons with wrongful intent during or following forcible and violent entry or exit from the buildings.

Warranty

It is further warranted by the Insured that the burglar bars referred to in this endorsement will not be altered or be removed unless agreed by the Insurer in writing.

3. Safety/security gates warranty

It is hereby declared and agreed that theft cover is subject to safety/security gates being fitted to all the outer doors (including inter alia sliding doors) of the building(s) situated on the premises as stated in the Schedule. The following special exceptions will be applicable should the Insured not comply with this requirement in respect of any property that is insured under this section:

Special Exceptions

This section does not cover any loss or damage or claim directly or indirectly occasioned by or through or in consequence of:

- a) theft or any attempt thereat (if insured under this section);
- b) theft (or attempt thereat) accompanied by forcible and violent entry into or exit from the buildings; or
- c) the actions of persons with wrongful intent during or following forcible and violent entry or exit from the buildings.

Warranty

It is further warranted by the Insured that the safety/security gates referred to in this endorsement will not be altered or be removed and that the safety/security gates will be kept properly closed and locked at all times when the building(s) are left unattended.

4. Security guard condition

It is hereby declared and agreed that in respect of theft (as defined), or any attempt thereat, from any insured building at the insured premises stated in the Schedule, as being subject to the security guard condition, the following will be preconditions to the liability of the Insurer, and it is hereby warranted by the Insured that:

- a) under a contract with a security firm (which is registered with the Security Officers' Board) the Insured has employed an employee(s) of the security firm to guard and protect the building;
- b) such employee(s) will be on duty whenever the building is not open for business, unless a principal, partner, director or employee of the Insured is in the building; and
- c) such employee(s) is/are in radio contact with the control room of the security firm and that the reaction unit of such security firm will react if assistance is called for.

SUB-SECTION B: RENT

DEFINED EVENTS

Loss of rent actually incurred by the Insured in consequence of the insured office premises or portion thereof being so damaged by any of the perils specified in sub-section A Contents as to be rendered uninhabitable, but only in respect of the period necessary for reinstatement. The indemnity under this sub-section shall not exceed the amount stated in the Schedule.

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

SUB-SECTION C: DOCUMENTS (IF STATED AS INCLUDED IN THE SCHEDULE)

DEFINED EVENTS

Loss of or damage to documents (as defined) normally kept at the office premises by any cause not specifically excluded hereunder.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Limitations clause

The Insurer's liability is limited to all costs, charges and expenses incurred by the Insured in replacing or restoring such documents.

SPECIFIC EXCEPTIONS

The Insurer's liability for documents does not cover:

1. loss or damage caused by:
 - a) electric or electronic or magnetic injury, disturbance or erasure of electronic or magnetic recordings except by lightning;
 - b) vermin or inherent defect or by processing, copying or other work upon the documents;
 - c) the dishonesty of any principal, partner or director of the Insured whether acting alone or in collusion with others. This exception shall not apply to any director who is also an employee of the Insured and whom the Insured has the right at all times to govern, control and direct in the performance of their work in the service of the Insured and in the course of the business;
2. gradual deterioration or wear and tear; or
3. costs involved in reshooting films and videos and rerecording audio tapes.

SUB-SECTION D: LEGAL LIABILITY DOCUMENTS (IF STATED AS INCLUDED IN THE SCHEDULE)

DEFINED EVENTS

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

SPECIFIC EXCEPTIONS

The Insurer's liability under Legal Liability Documents does not cover:

1. liability assumed by the Insured under any contract, undertaking or agreement where such liability would not have attached to the Insured in the absence of such contract, undertaking or agreement; or
2. loss, damage, liability or expenditure directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power (it being agreed that for sub-section D Legal Liability Documents only, this exclusion replaces General Exception 1 of the General section).

SUB-SECTION E: INCREASE IN COST OF WORKING (IF STATED AS INCLUDED IN THE SCHEDULE)

DEFINED EVENTS

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

The indemnity under this sub-section shall not exceed the amount stated in the Schedule of the Insured amount on all contents of the office premises affected.

DEFINED EVENTS

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under:

1. the Fire section of this policy;
2. the Buildings Combined section of this policy;
3. the Office Contents section of this policy; and
4. any other material damage insurance covering the interest of the Insured;

but only if such payment or admission of liability is in respect of loss or damage to the insured property by one of the insured perils as listed hereunder (loss by such perils shall hereinafter be termed "Damage") and as defined in the Fire, Buildings Combined or Office Contents sections of this policy:

- a) fire and subterranean fire;
- b) lightning or thunderbolt;
- c) explosion;
- d) earthquake;
- e) weather and water;
- f) impact;
- g) leakage from any sprinkler, drencher system or fire extinguishing installation/appliance;
- h) subsidence, landslip or heave;
- i) malicious damage;
- j) leakage of oils and chemicals;
- k) charring;
- l) riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia) extension;
- m) power surge extension.

Liability shall be deemed to have been admitted if such payment is precluded solely because the Insured is required to bear the first portion of the loss.

The Insurer will indemnify the Insured as set out in the wording below and based on the information contained in the Schedule.

GROSS PROFIT: DIFFERENCE BASIS (IF STATED AS INCLUDED IN THE SCHEDULE)

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

1. Reduction in turnover

and

2. Increase in cost of working

and the amount payable as indemnity hereunder shall be:

1. In respect of reduction in turnover

the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover;

2. In respect of increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided;

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

GROSS PROFIT: ADDITIONS BASIS (IF STATED AS INCLUDED IN THE SCHEDULE)

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

1. Reduction in turnover

and

2. Increase in cost of working

and the amount payable as indemnity hereunder shall be:

1. In respect of reduction in turnover

the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover;

2. In respect of increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided;

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

MEMORANDUM

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

GROSS RENTALS (IF STATED AS INCLUDED IN THE SCHEDULE)

The insurance under this item is limited to:

1. Loss of gross rentals

and

2. Increase in cost of working

and the amount payable as indemnity hereunder shall be:

1. In respect of loss of gross rentals

the amount by which the gross rentals during the indemnity period shall in consequence of the Damage fall short of the standard gross rentals;

2. 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.

REVENUE/FEEs (IF STATED AS INCLUDED IN THE SCHEDULE)

The insurance under this item is limited to:

1. Loss of revenue

and

2. Increase in cost of working

and the amount payable as indemnity hereunder shall be:

1. In respect of loss of revenue

the amount by which the revenue during the indemnity period shall, in consequence of the Damage, fall short of the standard revenue;

2. In respect of increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of loss of revenue thereby avoided;

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

ADDITIONAL INCREASE IN COST OF WORKING (IF STATED AS INCLUDED IN THE SCHEDULE)

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

WAGES (IF STATED AS INCLUDED IN THE SCHEDULE)

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

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

FINES AND PENALTIES (IF STATED AS INCLUDED IN THE SCHEDULE)

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

INCREASE IN COST OF WORKING: APPLICABLE TO NON-INCOME GENERATING PREMISES (IF STATED AS INCLUDED IN THE SCHEDULE)

The insurance under this item is limited to reasonable additional expenditure incurred during the indemnity period in consequence of the Damage for the purpose of maintaining the normal operation of the business.

DETERIORATION OF UNDAMAGED STOCKS (IF STATED AS INCLUDED IN THE SCHEDULE)

The insurance under this item is limited to the deterioration of undamaged stocks due to the Insured's inability to process such stocks following an insured event under this section, provided that:

1. such stocks would have been utilised by the business had the defined event not occurred;
2. such stocks cannot be utilised before or, so far as can reasonably be foreseen, after the expiry of two years from the date of the occurrence;
3. the amount payable as indemnity hereunder shall be limited to the actual purchase costs incurred by the Insured for such stocks or the manufacturing costs actually incurred by the Insured in producing such stocks up until the occurrence of the defined event, less, if the goods are sold for salvage, the net amount realised from such sale.

STANDING CHARGES ONLY BASIS (IF STATED AS INCLUDED IN THE SCHEDULE)

The insurance under this item is limited to the loss incurred by the Insured in respect of the payment of Insured Standing Charges due to:

1. Reduction in turnover

and

2. Increase in cost of working

and the amount payable as indemnity hereunder shall be:

1. In respect of reduction in Turnover

the sum produced by applying the Rate of 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;

2. In respect of increase in cost of working

the additional expenditure (subject to the provisions of memorandum 4) 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 Standing Charges 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 insured amount in respect of the Insured Standing Charges is less than the sum produced by applying the Rate of Standing Charges 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.

DEFINITIONS

1. Annual gross rentals

shall mean the Gross Rentals during the 12 (twelve) months immediately before the date of the Damage but adjusted further as set out in memorandum 1 below.

2. Annual revenue/fees

shall mean the Revenue/fees during the 12 (twelve) months immediately before the date of the Damage but adjusted further as set out in memorandum 1 below.

3. Annual turnover

shall mean the Turnover during the 12 (twelve) months immediately before the date of the Damage but adjusted further as set out in memorandum 1 below.

4. Gross rentals

shall mean the money paid or payable to the Insured by tenants in respect of rental of the premises and for services rendered.

5. Gross profit (additions basis)

shall mean the sum produced by adding to the net profit the amount of the insured standing charges or, if there is no net profit, the amount of the insured standing charges less such proportion of any net trading loss as the amount of the insured standing charges bears to all the standing charges of the business.

6. Gross profit (difference basis)

shall mean the amount by which:

- a) the sum of the turnover and the amount of the closing stock shall exceed;
- b) the sum of the amount of the opening stock and the amount of the uninsured costs.

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

7. Gross rentals

shall mean the money paid or payable to the Insured by tenants in respect of rental of the premises and for services rendered.

8. Indemnity period

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

9. Insured standing charges

shall mean the charges of the items as specified in the Schedule (the words and expressions used shall have the meaning usually given to them in the books of account of the Insured).

10. Net profit

shall mean 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.

11. Rate of gross profit

shall mean the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage but adjusted further as set out in memorandum 1 below.

12. Rate of standing charges

shall mean the percentage that the Insured Standing Charges bears to the Turnover during the financial year immediately before the date of the Damage but adjusted further as set out in memorandum 1 below.

13. Revenue/fees

shall mean the money paid or payable to the Insured for goods sold and for services rendered in the course of the business at the premises.

14. Standard gross rentals

shall mean the Gross Rentals during that period in the 12 (twelve) months immediately before the date of the Damage which corresponds with the Indemnity Period but adjusted further as set out in memorandum 1 below.

15. Standard revenue/fees

shall mean the Revenue/fees during that period in the 12 (twelve) months immediately before the date of the Damage which corresponds with the Indemnity Period but adjusted further as set out in memorandum 1 below.

16. Standard turnover

shall mean the Turnover during that period in the 12 (twelve) months immediately before the date of the Damage which corresponds with the Indemnity Period but adjusted further as set out in memorandum 1 below.

17. Standing charges only basis

shall mean the amount of those Insured Standing Charges that are incurred and remain payable but, if there is no Net Profit, the amount of the Insured Standing Charges less such proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the standing charges of the business.

18. Turnover

shall mean 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.

19. Uninsured costs

shall mean as specified in the Schedule (the words and expressions used shall have the meaning usually attached to them in the books and accounts of the Insured).

MEMORANDUM

1. Annual Gross Rentals, Annual Revenue, Annual Turnover, Rate of Gross Profit, Rate of Standing Charges, Standard Gross Rentals, Standard Revenue and Standard Turnover as defined shall be adjusted as necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the Damage or which would have affected the business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

2. If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of Annual Gross Rentals, Annual Revenue, Annual Turnover, Rate of Gross Profit, Rate of Standing Charges, Standard Gross Rentals, Standard Revenue and Standard Turnover shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of Damage.
3. If, during the Indemnity Period, goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover, Revenue or Gross Rentals, during the Indemnity Period.
4. Applicable only to "Gross Profit additions basis" and/or "Standing Charges only basis": If any standing charges of the business are not insured under this section, then in computing the amount of increase in cost of working recoverable under either of these basis, that proportion only of the additional expenditure shall be brought into account which the sum of the Net Profit and the Insured Standing Charges bears to the sum of the Net Profit and all the standing charges. But if there is no Net Profit, that proportion only of the additional expenditure shall be brought into account which the Insured Standing Charges less any net trading loss bears to all the standing charges of the business less any net trading loss.

SPECIFIC CONDITIONS

1. Average

If, at inception of the period of insurance, the total sum insured is less than the sum produced by applying the rate of Gross Profit/Wages as defined to the projected turnover is less than the budgeted Gross Revenue/Gross Rentals (as applicable), (proportionately adjusted if the number of months referred to in the definition of indemnity period is other than 12 (twelve)), the amount payable in terms of the insuring items Gross Profit, Gross Rentals or Gross Rentals under the basis of indemnity above shall be proportionately reduced.

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 7 and 8, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under this section shall, not later than 30 (thirty) days after the expiry of the indemnity period, or within such further time as the Insurer may in writing allow, at their own expense 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 EXCLUSIONS

In consideration of an indemnity having been provided or liability admitted under:

1. the Fire, Buildings Combined and Office Contents sections in respect of Damage;
2. the Glass section as referred to in the Glass extension hereunder;
3. the Goods in Transit section as referred to in the Goods in Transit extension hereunder;
4. the Money section as referred to in the Money extension hereunder;
5. the Theft section as referred to in the Theft extension hereunder;

and where the Insured has elected to insure the insured property for an insured amount less than the full value thereof, the Insurer shall not be liable under this section for any extended period of interruption purely because the Insured does not have the financial means or ability to acquire the required funds to replace or repair the Damaged property that is not fully insured.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Accountants

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

2. Accumulated stocks

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

3. Departmental

If the business is conducted in departments or branches, the independent trading results of which are ascertainable, the provisions under items 1 (gross profit), 2 (gross rentals) or 3 (revenue) relating to reduction in turnover/gross rentals/revenue and increase in cost of working, shall apply separately to each department or branch affected by the Damage, except that if the sum insured by the relative item is less than the aggregate of the (annual gross rentals) (annual revenue) (sums produced by applying the rate of gross profit) for each department or branch, whether or not affected by the Damage, (to the relative annual turnover thereof) (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12), the amount payable shall be proportionately reduced.

4. Output (alternative basis) clause

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

- a) only the meaning of output or the meaning of turnover shall be operative in connection with any one event resulting in interruption;

b) if the meaning of output is used:

- i) the accumulated stocks clause shall be inoperative; and
- ii) the memo at the end of the definitions shall read:

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

5. Salvage sale

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

a) in respect of reduction in turnover

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

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Accidental damage

In respect of this extension only the defined events of this section are restated to read:

Loss following interruption or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under Defined Event (A) of the Accidental Damage section of this policy (hereinafter termed Damage), provided that:

- a) the provision under any item of this section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of this defined event;
- b) the Insurer shall not pay more than the sum insured stated in the Schedule of the Accidental Damage section for both this section and the Accidental Damage section combined.

2. Anchor tenants

Loss as insured by this section resulting from interruption of or interference with the business in consequence of Damage (as defined) at the premises of those anchor tenants stated in the Schedule in the same complex as that occupied by the Insured and which results in a cessation or diminution of trade due to the temporary falling away of custom, shall be deemed to be loss resulting from Damage to the Insured's property at the premises.

3. Cancellation of bookings

The insurance under this extension is limited to an amount stated in the Schedule arising out of the loss of the value of deposits received for the reservation or booking of accommodation in consequence of returning such deposit following curtailment of the relevant booking due to a cause listed below, provided that such deposits cannot be recovered from any other source by or on behalf of the person's cancelling or curtailment:

- a) accidental injury, illness or death of:
 - i) the person for whom the accommodation was booked or any person with whom the Insured has arranged to travel;
 - ii) a close relative, fiancé or close business colleague of the guest;
 - b) pregnancy of the guest's spouse;
 - c) compulsory quarantine or jury in a court of law applying to the guest or any person with whom the Insured has arranged to travel;
 - d) the permanent residence of the guest being lost or damaged by theft or any attempt thereat, fire, storm, wind, water, hail, snow or earthquake necessitating his/her return home; and
 - e) any official requirement by lawfully established authority for the guest to attend emergency duty in military, medical or public service;
- provided that:

the Insurer shall not be liable for claims where at the time that the booking was made;

- a) the guest was aware of any medical condition or set of circumstances which could reasonably be expected to give rise to the booking being cancelled or curtailed;
- b) any person whose condition gives rise to the claim was receiving or who was on a waiting list for or had knowledge of the need for inpatient treatment at a hospital or nursing home;
- c) any person whose condition gives rise to a claim was travelling against the advice of a medical practitioner;
- d) any person whose condition gives rise to a claim was travelling for purposes of obtaining medical treatment abroad; or
- e) any person whose condition gives rise to a claim was, during the 12 (twelve) months prior to the date for which the reservation was scheduled suffering from any chronic and/or recurring illness of a serious nature which had necessitated consultation or treatment.

4. Contingent business interruption

Damage (as defined) is deemed to include loss following the interruption of or the interference with the business as a result of:

- a) murder, suicide, armed robbery, malicious or terrorist activities (whether actual or hoax) at the Insured's premises;
- b) food or drink poisoning at the Insured's premises;

- c) closure of the Insured's premises due to defective sanitary arrangements on the order of the competent local, municipal, regional or government authority responsible for the area;
- d) closure of the Insured's premises due to vermin and/or pests on the order of the competent local, municipal, regional or government authority responsible for the area;
- e) shark or wild animal attack within the radius stated in the Schedule of the Insured's premises;
- f) closure of the premises due to noxious fumes within the radius stated in the schedule of the Insured's premises, on the order of the competent local, municipal, regional or government authority responsible for the area;
- g) water pollution, other than drinking water, including pollution of any sea, beach, waterway, dam or river within the radius stated in the Schedule of the Insured's premises;
- h) the threat of a bomb being planted at the Insured's premises or within the radius stated in the schedule of the Insured's premises or a bombing within the radius stated in the schedule of the Insured's premises. The insurance by this extension does not cover any loss occasioned by or through or in consequence, directly or indirectly of any occurrence contained in General Exceptions 8 A (ii) or (iii);
- i) adverse weather conditions within the radius stated in the schedule of the Insured's premises, of sufficient intensity and/or strength with the potential to cause damage to property or injury to persons;
- j) summons of the Insured or of any of the Insured's directors, partners or employees to appear as a witness in court proceedings.

For the purposes of this extension:

a) Indemnity period

shall mean the period commencing with the occurrence of (a), (b), (e), (g), (h), (j) or (k) above or for (c), (d) and (f) the date on which restrictions on the premises were applied and ending not later than 3 (three) months thereafter;

b) Insured's premises

shall mean those locations listed in the Schedule as the Insured's premises and shall not include the premises of suppliers, customers, contractors (or subcontractors) notwithstanding that this insurance may otherwise be extended to include such premises;

The cover granted by this extension does not include any costs arising from cleaning, repair, and recall, or checking the Insured's premises.

5. Deposit premium

(only applicable if the words "Deposit premium (%)" and a percentage amount are reflected in the schedule under the items mentioned below).

In consideration of the premium by the items Gross Profit, Gross Rentals, Revenue/Fees or Standing Charges only basis being provisional in that it is calculated on the percentage (as stated in the schedule) of the insured amount, the premium is subject to adjustment on expiry of each period of insurance (or after twelve consecutive months from the inception date or anniversary date if this policy is paid by monthly debit order) as follows:

In the event of the Gross Profit/Gross Rentals/Revenue/Fees earned or Standing Charges incurred (increased proportionately 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 (or the equivalent 12 (twelve) consecutive months from the inception date or anniversary date if this policy is paid monthly by debit order) being less or greater than the percentage (as stated in the schedule) of the insured amount thereon, a pro rata return or additional premium not exceeding 33,3% (thirty-three and one third percent) of the provisional premium paid for such period of insurance will be made in respect of the difference.

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

6. Franchisor

Subject otherwise to all other underlying terms and conditions, the interests of the franchisor(s) specified in the Schedule are specifically noted, payment for that portion of the indemnity calculation represented by the franchise fees shall be made to the franchisor described therein whose receipt shall be a full and final discharge to the Insured in respect of such franchise fees.

7. Glass

In respect of this extension only the defined events of this section are restated to read:

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance in respect of which payment has been made or liability admitted under the Glass section of this policy (such damage under the Glass section shall also in this section be termed "Damage") and liability shall be deemed to have been admitted under the Glass section if such payment is precluded solely because the Insured is required to bear the first portion of the loss in the form of an excess.

The Insurer will indemnify the Insured under this extension as set out in the remainder of the wording of this section and based on the information contained in the Schedule.

8. Goods in transit

In respect of this extension only the defined events of this section are restated to read:

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance in respect of which payment has been made or liability admitted under the Goods in Transit section of this policy (such damage under the Goods in Transit section shall also in this section be termed "Damage") and liability shall be deemed to have been admitted under the Goods in Transit section if such payment is precluded solely because the Insured is required to bear the first portion of the loss in the form of an excess.

The Insurer will indemnify the Insured under this extension as set out in the remainder of the wording of this section and based on the information contained in the Schedule.

9. Loss of trade

Loss as insured by this section resulting from interruption of or interference with the business in consequence of Damage (as defined) to property forming part of, or contained in, the complex of which the Insured's premises forms part, which results in a cessation or diminution of trade to the Insured's business due to temporary falling away of potential custom whether the premises or property of the Insured therein shall be damaged or not, shall be deemed to be loss resulting from Damage to the Insured's property at the premises.

10. Money

In respect of this extension only the defined events of this section are restated to read:

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance in respect of which payment has been made or liability admitted under the Money section of this policy (such damage under the Money section shall also in this section be termed "Damage") and liability shall be deemed to have been admitted under the Money section if such payment is precluded solely because the Insured is required to bear the first portion of the loss in the form of an excess.

The Insurer will indemnify the Insured under this extension as set out in the remainder of the wording of this section and based on the information contained in the Schedule.

11. Theft

In respect of this extension only the defined events of this section are restated to read:

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance in respect of which payment has been made or liability admitted under the Theft section of this policy (such damage under the Theft section shall also in this section be termed "Damage") and liability shall be deemed to have been admitted under the Theft section if such payment is precluded solely because the Insured is required to bear the first portion of the loss in the form of an excess.

The Insurer will indemnify the Insured under this extension as set out in the remainder of the wording of this section and based on the information contained in the Schedule.

12. Power surge

In respect of this extension only the defined events of this section are restated to read:

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance in respect of which payment has been made or liability admitted under this section of this policy of the policy (such damage under the this section shall also in this section be termed "Damage") and liability shall be deemed to have been admitted under this extension if such payment is precluded solely because the Insured is required to bear the first portion of the loss in the form of an excess.

The Insurer will indemnify the Insured under this extension as set out in the remainder of the wording of this section and based on the information contained in the Schedule.

EXTENSIONS TO OTHER PREMISES

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

1. Additional premises

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

2. Contract sites

Any situation within the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi or Mozambique not in the occupation of the Insured where the Insured is carrying out a contract.

3. Customers: Specified (if stated as included in the Schedule)

The premises of the customers specified in the Schedule subject to the dependency factor(s) and insured amount(s) stated in the Schedule per customer.

4. Prevention of access (if stated as included in the Schedule)

Property within a 25 (twenty-five) kilometre radius of the Insured's premises (provided such property is still within the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi or Mozambique), destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the Insured therein shall be damaged or not.

5. Prevention of access: Extended cover (if stated as included in the Schedule)

Property within a 25 (twenty-five) kilometre radius of the premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the Insured therein shall be damaged or not.

For the purpose of this extension "premises" shall mean:

- a) the premises of those specified suppliers/sub-contractors in the "Suppliers/sub-contractors: specified" extension, but only if such extension is stated as included in the Schedule;
- b) the premises of unspecified suppliers, but only if the "Suppliers/sub-contractors: unspecified" extension is stated as included in the Schedule;
- c) property of the Insured in storage as insured by the "Storage, transit and vehicles" extension;
- d) contract sites as insured by the "Contract sites" extension;
- e) the premises of those specified customers in the "Customers: specified" extension, but only if such extension is stated as included in the Schedule;
- f) public utilities premises but only if the "Public utilities: Insured perils" or "Public Utilities: Extended cover" extensions are stated as included in the Schedule; or
- g) public telecommunications premises but only if the "Public telecommunications: Insured perils" or "Public telecommunications: Extended cover" extensions are stated as included in the Schedule.

6. Public telecommunications: Insured perils (if stated as included in the Schedule)

- a) Property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the Insured; and
- b) the transmission facilities network of the public authority mentioned in (a) above, provided that:

the property described above is within the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi or Mozambique.

7. Public telecommunications: Extended cover (if stated as included in the Schedule)

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

- a) drought;
- b) a fault on any part of the premises belonging to the Insured;
- c) a decision by any authority legally to withhold the telecommunication facility from the Insured unless such decision is directly attributable to Damage to property of such authority;
- d) any event described in General Exception 1 and 2 but cover provided under the Malicious Damage extension in the underlying policy is not excluded; or
- e) any event to public telecommunication facilities situated outside of the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi or Mozambique.

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

8. Public utilities: Insured perils (if stated as included in the Schedule)

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 (provided such property is still within the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi or Mozambique) 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.

9. Public utilities: Extended cover (if stated as included in the Schedule)

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

- a) drought;
- b) pollution of water;
- c) shortage of fuel or water;
- d) a fault on any part of the installation at the premises belonging to the Insured;
- e) the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority;
- f) any event described in General Exception 1 and 2, but cover provided by the malicious damage extension in the underlying material damage section of this policy is not excluded; or
- g) any event to public utilities situated outside of the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi or Mozambique.

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

10. Rail, road and air services (if stated as included in the Schedule)

Loss as insured by the section resulting from interruption of or interference with the business in consequence of Damage at the under noted situations and to under noted property shall be deemed to be loss from Damage:

- a) at the premises and property of any rail service;
- b) at the premises and property of any airport or terminal facility including aircraft;
- c) at the premises of any shipping terminal or cargo loading facility;
- d) to any road, tunnel, bridge or service accessory relating thereto; or
- e) to any road vehicle belonging to a customer of the Insured or a road transportation service;

provided that:

- a) such Damage has not been brought about by the direct or indirect action of any party which shall include strikes, labour disturbances, malicious Damage or intent thereof or political interference;
- b) should such interruption or interference arise from mechanical or electrical or electronic breakdown there shall be no liability under this extension for interruption or interference with the business unless such interruption or interference extends beyond 24 (twenty-four) hours from commencement thereof; and
- c) such Damage is restricted to only those premises situated, or property within the confines of the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi or Mozambique.

11. 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 the premises in the occupation of the Insured provided such property is still within the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi or Mozambique.

12. Suppliers/sub-contractors: Specified (if stated as included in the Schedule)

The premises of the suppliers and sub-contractors specified in the Schedule subject to the dependency factor(s) and insured amount(s) stated in the Schedule per supplier/sub-contractor.

13. Suppliers/sub-contractors: Unspecified (if stated as included in the Schedule)

The premises of any of the Insured's direct suppliers, manufacturers or processors of components, goods or materials not specified under the specified suppliers/sub-contractors extension provided such premises is within the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi or Mozambique and subject to the dependency factor and insured amount stated in the Schedule which shall be the maximum per supplier. For the purposes of this extension, the premises of any public supply undertaking from which the Insured obtains electricity, gas or water shall not be considered a supplier and shall not be included in the cover provided.

DEFINED EVENTS

Loss in consequence of the Insured being unable to trace or establish the outstanding debit balances in whole or part due to them following loss or damage as a result of accident or misfortune (hereinafter termed Damage) to the Insured's books of account or other business books or records whilst at:

1. the building(s) on the Insured's premises stated in the Schedule; or
2. the residence of any director, partner or employee of the Insured; or
3. the premises of any auditor or professional accountant of the Insured; or
4. any other place of safety if, because of imminent danger of their destruction, such books of account or other business books or records are removed from the premises stated above (including such emergency removal or while being returned to the premises stated above thereafter),

provided that:

1. the Insured shall notify the Insurer in writing within 30 (thirty) days of any removal as set out in 4 above;
2. the liability of the Insurer shall not exceed the sums insured stated in the Schedule; and
3. the basis of indemnity will be as set out under the basis of settlement clause.

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

SPECIFIC EXCEPTIONS

The Insurer will not pay for:

1. loss resulting from loss of or Damage to the books of account or other business books or records caused by:
 - a) wear and tear or gradual deterioration or moths or insects or their larvae, or vermin;
 - b) electrical or electronic or magnetic injury, disturbances or erasure unless the Insured maintains the duplicate records referred to in the duplicate records clause of this section;
2. loss caused by fraud or dishonesty of any principal, director, partner or employee of the Insured.

DEFINITIONS**1. Outstanding debit balances**

shall mean the total declared in the statement last given under the provisions of the "Declaration" clause adjusted for:

- a) bad debts;
- b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to customers' accounts in the period between the date to which said last statement relates and the date of the Damage; and
- c) any abnormal condition of trade which had or could have had a material effect on the business;

so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Accountants

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

2. Basis of settlement

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

the difference between the outstanding debit balances and the total of the amounts received or traced in respect thereof

plus

the additional expenditure incurred in tracing and establishing customers' debit balances after the Damage, provided that:

- a) the maximum liability of the Insurer shall not exceed the insured amount irrespective of the amount contained in any declarations made as set out in point 3 of the Declaration clause below; and
- b) if the insured amount under this item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule.

1. Declaration

The Insured is to set the insured amount at a level so as to represent the maximum anticipated outstanding debit balances at any one time during the period of insurance. The responsibility shall remain with the Insured during the period of insurance to notify the Insurer in writing should an increase in the insured amount be required due to outstanding debit balances exceeding the insured amount. Declarations received as set out hereunder exceeding the insured amount shall not be considered a formal request to increase the insured amount.

The Insured shall at intervals as set out in the Schedule against "declaration basis" provide the Insurer with a signed statement showing the total amount outstanding in customers' accounts as set out in the Insured's accounts at that point in time.

In consideration of the premium under this section being provisional in that a deposit premium is charged based on a percentage (as stated in the Schedule against "deposit premium %") of the required premium, the premium will be adjusted as follows:

On the expiry of each period of insurance (or after 12 (twelve) consecutive months from the inception or anniversary date if this policy is paid monthly by debit order), the actual premium for the past period shall be re-calculated based on the average amount of the declarations received and a premium adjustment made provided that:

- a) such re-calculation shall be performed without the deposit premium percentage being applied to such average amount;
- b) for the purposes of calculating the average amount, any amount declared that exceeds the insured amount shall be limited to the insured amount and premium shall not be payable on that part of any declaration that is in excess of the insured amount;
- c) the Insurer shall in the event of a loss, irrespective of the value of any declarations received, not be liable for more than the insured amount as stated in the Schedule;
- d) if the actual premium is greater than the provisional premium, the Insured shall pay the difference to the Insurer and if it is less, the difference shall be repaid to the Insured, but such repayment shall not exceed 33,3 (thirty-three and one third) percent of the provisional premium paid.

2. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

3. Transit

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.

OPTIONAL CONDITIONS

If stated in the Schedule to be applicable, cover is conditional on compliance with:

1. Duplicate records

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

2. Protection: Fire resistant safe

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

DEFINED EVENTS A: BASIC COVER

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

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

notwithstanding General Condition 19 of the General Exceptions, Conditions and Provisions section of the policy, this section shall not be called into contribution for any defined event for which more specific insurance has been arranged.

DEFINED EVENTS B: LEAKAGE (IF STATED IN THE SCHEDULE)

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

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

1. any peril excluded or circumstance precluded from any other insurance available from the Insurer at inception hereof or for any excess payable by the Insured under such insurance, or for any reduction of amount payable under any claim due to the application of average;
2. more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection;
3. unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information;
4. loss of or damage to insured property caused by:
 - a) or in connection with the dishonesty of any principal, partner, director or employee of the Insured whether acting alone or in collusion with others;
 - b) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;
 - c) breakdown, electrical, electronic and/or mechanical derangement;
 - d) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
 - e) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;
 - f) denting, chipping, scratching or cracking not affecting the operation of the item;
 - g) termites, moths or insects or their larvae, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light;
5. settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property;
6. loss of or damage to:
 - a) to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container;
 - b) resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
7. failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant;
8. collapse of plant and machinery, buildings and structures; or
9. loss or damage to insured property directly or indirectly caused by, contributed to by or arising from the use or operation of shelving, storage platforms, fixed or movable racking systems and/or structures, unless such structures have been designed, manufactured, installed, protected and maintained for safe use according to an appropriate standard as required by the South African Occupational Health and Safety Act, 1993.

An acceptable appropriate standard is one such as but not limited to SEMA Standards (Storage Equipment Manufacturers Association National and European Standards in Storage Equipment).

DEFINITIONS**1. First loss**

shall mean an insured amount as selected by the Insured that is less than the total asset value of the insured property.

2. Insured property

shall mean any tangible property belonging to the Insured or held in trust or on commission for which they are responsible other than:

- a) current coin (including Krugerrands and similar coins), bank and currency notes, travellers and other cheques, money and postal orders, current unused postage, revenue and holiday pay stamps, credit card vouchers, unused tokens for claims under the Motor Vehicle Accidents Act, 1986 (MVA tokens), and other certificates, documents or instruments of a negotiable nature;

- b) furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art;
 - c) property in transit by air, inland waterway or sea;
 - d) railway locomotives, rolling stock and other railway property, aircraft, watercraft, mechanically or electrically propelled vehicles, motorcycles, mobile plant, caravans and trailers;
 - e) standing or felled trees, crops, animals, land (including topsoil, backfill, drainage and culverts), driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines (external to the premises), tunnels, cables (external to the premises), cableways, bridges, docks, jetties, wharves, piers, excavations, property below the ground or explosives;
 - f) electronic data-processing equipment and external data media (punch cards, tape discs and the like) and the information they contain;
 - g) property in the course of construction, erection or dismantling including materials or supplies related thereto;
 - h) property in the possession of customers under lease, rental, credit or suspensive sale agreements; and
 - i) glass, china, earthenware, marble and other fragile or brittle objects;
- unless stated in the Schedule to be insured.

3. Premises

shall mean the premises insured and reflected in the Fire, Buildings Combined and Office Contents section schedules.

4. Total asset value

as reflected in the Schedule shall be a declaration by the Insured of the maximum value of the insured property during the period of insurance.

EXCLUDED PROPERTY (IF STATED AS EXCLUDED IN THE SCHEDULE)

The property listed or described in the Schedule against this exclusion shall be added to the list of excluded property of the insured property definition.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Additional costs

In respect of buildings, plant and machinery insured, the sum insured includes:

- a) any costs incurred, due to the necessity to comply with building or other regulations of any public authority, in repair or reinstatement following an insured event, provided that such costs do not include:
 - i) anything for which notice had been served on the Insured prior to the insured event;
 - ii) anything connected with undamaged property or undamaged portions of property;
 - iii) rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the insured property;
- b) fees for the examination of municipal or other plans;
- c) costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding;
- d) the professional fees of architects, quantity surveyors and other consultants;

and the sum insured on all insured property includes:

- e) charges levied by any authorised fire brigade for their services;

but the Insurer shall not be liable under (a), (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay, nor under (d) for any expenses in connection with the preparation of the Insured's claim.

Further, the Insurer shall not be liable under (c) for any costs or expenses:

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

2. Mortgagee/financier

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

3. Railway and other subrogation

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

4. Restricted cover

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

OPTIONAL CONDITIONS

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under the Specific Condition as indicated in the Schedule to be applicable.

1. Average

(applicable if the insured amount and the total asset value as reflected in the Schedule are equal).

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

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

2. First loss average

(applicable if the insured amount in the Schedule is less than the Total Asset Value reflected in the Schedule).

If, on the occurrence of a defined event, the total value of the insured property does not exceed the sum stated in the Schedule then this insurance shall be declared free of average, but if the total value of such property is greater than the aforementioned sum, the Insured shall be considered as being their own insurer for the difference and the Insurer shall be liable only for such proportion of the first loss sum insured as the aforementioned sum shall bear to a total value not exceeding the sum insured.

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

3. Reinstatement

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

- a) the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to requirements of the Insured subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount that would have been payable if this condition had not been incorporated in this section shall be made;
- b) the Insurer shall not be liable for any payment beyond the amount that would have been payable if this condition had not been incorporated in this section, until expenditure has been incurred by the Insured in replacing or reinstating the lost or damaged insured property;
- c) if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been lost or damaged exceeds the sum insured on the occurrence of an insured event, the Insured shall be considered their own insurer for the difference and shall bear a rateable share of loss accordingly. Each item, if more than one, to which this condition applies shall be separately subject to this provision; and
- d) this condition shall not apply if:
 - i) the Insured fails to intimate to the Insurer within 6 (six) months of the insured event or such further time as the Insurer may allow in writing their intention to replace or reinstate the lost or damaged insured property; or
 - ii) the Insured is unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

DEFINED EVENTS

Loss of or damage to the whole or part of the property described in the Schedule, being the property of the Insured or for which the Insured is responsible, by any accident or misfortune not otherwise excluded while:

1. anywhere in the world, or
2. restricted to a specific risk address (if stated in the Schedule under the specific item insured),

provided that:

1. the liability of the Insurer for any item shall not exceed the sum insured which is stated in respect of such item in the Schedule;
2. the Insured shall be responsible for the excess stated in the Schedule in respect of each and every event except a claim resulting from fire, lightning or explosion.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

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

SPECIFIC CONDITIONS**1. Average**

If the total value of property insured which is not separately and individually specified is, at the time of the happening of any loss or damage to such property, of greater value than the sum insured thereon, the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the amount of the loss or damage. Each item of the Schedule covering such property shall be separately subject to this condition.

2. Replacement value condition

The basis upon which the amount payable is to be calculated shall be either:

- a) the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new; or
- b) the repair of the property to a condition substantially the same as, but not better than, its condition when new;

provided that:

if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the property had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the commencement of the loss or damage, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Disposal of salvage

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

2. Fatal injury

The cover granted by this section includes fatal injury to any principal, partner, director or employee of the Insured sustained and occasioned by outward and visible violence caused by thieves. The Insurer will pay to the executors or administrators of the deceased's estate the sum stated in the Schedule, provided that death ensues within 3 (three) months of such injury.

3. Fire extinguishing charges

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

4. Non-forcible and violent entry into vehicle

The insurance under this section is hereby extended to include loss of or damage to the property where the Insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that:

- a) the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but the locking mechanism was blocked by thieves using an electronic device. Such evidence will be deemed to satisfy the forcible and violent entry or exit requirement for any loss out of the cab or boot of the vehicle;
- b) this exclusion will not apply where the vehicle has been involved in an accident or other incident where due to the circumstances beyond the control of the driver and passengers, the property has to be left unattended and cannot be secured as required;
- c) the police case number is supplied to the Insurer;
- d) cover shall only apply to property that is separately and individually specified in the Schedule;
- e) the Insurer's maximum liability shall not exceed the amount stated in the Schedule in respect of any one event; and
- f) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

5. Security costs

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule.

1. Increase in cost of working

The insurance under this item is limited to expenditure not otherwise recoverable under this section, necessarily and reasonably incurred as a result of loss of or damage to property for which payment is made or liability therefor is admitted under this section, for the purpose of maintaining the normal operation of the business.

2. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

SECURITY REQUIREMENTS

1. Burglar alarm warranty: applicable to items restricted to the insured premises as stated under the respective insured item.

It is a condition precedent to the liability of the Insurer that a burglar alarm system will be installed in all premises stated in the Schedule to be subject to this Condition and provided that:

- a) the burglar alarm installed in the premises shall be fully activated whenever the premises is not open for normal business unless any principal, partner, director or employee is in the premises;
- b) the burglar alarm installed in the premises shall have adequate passive infrared motion detectors or beams installed to cover all entry or exit points (doors of any kind or description and all windows whether opening or not);
- c) the passive infrared motion detectors or beams of the required alarm system are not obstructed or bypassed;
- d) the insurance shall not cover loss of or damage to property following the use of keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured unless such keys, keypad code or remote control were obtained by violence or threat of violence to any person;
- e) the Insured must have a contract for burglar alarm services and such services shall include the services of a 24 (twenty-four) hour armed response unit;
- f) the control panel shall have an event log and the arming and disarming of the alarm shall be logged;
- g) after the occurrence of a claim the Insurer will be entitled to request full information of the relevant event log; and
- h) such alarm will be maintained in proper working order but the Insured shall be deemed to have discharged their liability if they have maintained their obligations under a maintenance contract with the installation/service Insurer of the alarm system;

provided that:

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 where such failure is not due to any act or omission of the Insured.

DEFINITION

1. Unattended vehicle

shall mean any vehicle being used by the Insured or any principal, partner, director or employee of the Insured where such person is not in a position to keep the vehicle under constant observation and at the same time has a reasonable prospect of preventing any unauthorised interference with the vehicle.

DEFINED EVENTS

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

1. the Insured shall be responsible for the excess stated in the Schedule in respect of each and every defined event;
2. the liability of the Insurer for all loss or damage arising from any one defined event shall not exceed the load limit stated in the Schedule.

INSURED PROPERTY

shall mean all property usual to the Insured's business including:

1. tools, plant, machinery, equipment, personal protective equipment, consumables, spare parts and/or similar items used by the Insured and/or any employee for the purposes of the business excluding cell phones, laptops and similar items;
2. ropes, tarpaulins and packing materials in connection with the transit;
3. property owned by the Insured or for which they are responsible.

MEMORANDA**1. Transit**

shall, in respect of:

- a) Consigned goods

be deemed to commence from the time of moving the insured property at the consignor's premises (including carrying to any conveyance and loading thereon), continue with transportation to the consignee (including temporary storage not exceeding 96 (ninety-six) hours in the course of the journey) and end when off-loaded and delivered at any building or place of storage at the consignee's premises.

If any consignee shall refuse or is unable to accept property consigned, transit shall be deemed to continue and the insurance in respect of such property shall continue in force until the property is delivered at the premises of the consignor by any means of conveyance, provided that the Insured shall take all reasonable steps to ensure that the property is returned as soon as is reasonably possible.

- b) Goods other than consigned goods

be deemed to commence with the loading of the insured property onto any conveyance, continue with transportation and end when off-loaded from the conveyance.

2. Vehicle temporarily used

Where the means of conveyance is by specified vehicle, the insurance under this section shall apply to property on any vehicle temporarily used in place thereof while a specified vehicle is undergoing repair or servicing, which replacement vehicle is not the property of the Insured or leased or hired by them under a lease or suspensive sale agreement.

3. Breakdown of the means of conveyance

In the event of breakdown of the means of conveyance during transit or if, for any reason beyond the Insured's control, the property is endangered, nothing contained herein shall debar the utilisation of any other form of transport to assist completion of the transit and the insurance afforded shall not be affected thereby.

4. Basis of premium

Where the Insurer determines the premium based on the annual carry of the Insured, it is a requirement that at the beginning of each period of insurance that the Insured provide an estimate of the expected annual carry for the new period of insurance. Where the premium is so determined, the Insured shall provide a declaration of the actual annual carry at the end of the period of insurance and the Insurer shall re-calculate the actual premium due for such past period of insurance and either refund the Insured or charge an additional premium as the case may be. For the purpose of this requirement, if the policy is paid by monthly debit order, period of insurance shall mean the twelve consecutive months from the inception or anniversary date.

DEFINITIONS**1. Annual carry**

as reflected in the Schedule is the estimated value of goods that will be transported during the period of insurance. If the premium is paid monthly by debit order, the words "period of insurance" is amended to read "for any one period of 12 (twelve) consecutive months from the inception or anniversary date".

2. Hijacking

shall mean seizure of the means of conveyance containing the insured property resulting in the seizure of the insured property contained in or on such conveyance where such seizure is accomplished by means of violence on or against the person or persons who, at the time of such seizure, are in actual lawful control of the conveyance and the insured property.

3. Overturning

is deemed to include derailment of the means of conveyance whether or not there is actual overturning.

4. Unattended vehicle

shall mean any vehicle being used by the Insured or any principal, partner, director or employee of the Insured where such person is not in a position to keep the vehicle under constant observation and at the same time has a reasonable prospect of preventing any unauthorised interference with the vehicle.

RESTRICTED COVER (IF STATED AS APPLICABLE IN THE SCHEDULE)

1. Fire, explosion, collision, derailment and overturning limitation

The insurance under this section is limited to loss or damage resulting from:

- a) fire or explosion; and
- b) collision, overturning or derailment of the means of conveyance described in the Schedule.

2. Fire, explosion, collision, derailment, overturning and subsequent theft

The insurance under this section is limited to loss or damage resulting from:

- a) fire or explosion;
- b) collision, overturning or derailment of the means of conveyance described in the Schedule;
- c) theft following fire, explosion, collision, overturning or derailment of the means of conveyance described in the Schedule.

3. Fire, explosion, collision, derailment, overturning and subsequent theft and hijack

The insurance under this Section is limited to loss or damage resulting from:

- a) fire or explosion;
- b) collision, overturning or derailment of the means of conveyance described in the schedule;
- c) theft following fire, explosion, collision, overturning or derailment of the means of conveyance described in the schedule;
- d) hijacking of the means of conveyance described in the schedule.

SPECIFIC CONDITIONS

1. Roadworthiness

It is a condition precedent to the liability of the Insurer and warranted by the Insured that all vehicles owned, leased, hired by or under the custody or control of the Insured whether on their own or forming part of a combination of vehicles and being used for the transit of the insured property shall at all times be kept in a roadworthy state or condition.

2. Territorial limits

This section of the policy covers the insured property from the time of attachment of risk until the termination of risk within the territorial limits stated in the Schedule.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

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

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Debris removal, reloading and transshipment costs

The insurance under this section includes costs necessarily incurred by the Insured in respect of:

- a) the clearing up and removal of debris following damage to the means of conveyance or to the property insured thereon;
- b) reloading on to the means of conveyance any property insured if fallen from such means of conveyance; and
- c) transshipping insured property to another means of conveyance, delivering it to the original destination, or returning it to the place of despatch following physical loss of or damage to the insured property or an accident to the means of conveyance;

provided that the liability of the Insurer shall not exceed the amount stated in the Schedule in respect of any one defined event.

2. Disposal of salvage

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

3. Fire extinguishing charges

If the property described in the Schedule is lost or damaged by fire whilst in course of a transit insured by this section, the Insurer will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire, provided that the liability of the Insurer shall not exceed the amount stated in the Schedule in respect of any one defined event.

4. Irreplaceable goods (applicable to memoranda 1 (a) consigned goods)

The Insurer agrees to settle any claim for irreplaceable goods lost or damaged on the basis of the selling price of such goods at the date of the loss or damage.

5. Replacement value condition (applicable to memoranda 1 (b) goods other than consigned goods)

The basis upon which the amount payable, in respect of goods other than consigned goods, is to be calculated shall be either:

- a) the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new; or
- b) the repair of the property to a condition substantially the same as, but not better than, its condition when new;

provided that:

- a) if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the property had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the commencement of the loss or damage, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly; and
- b) where the property is not replaced, the terms of this condition will not apply.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

DEFINED EVENTS

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

LIMIT OF INDEMNITY

The liability of the Insurer for all loss or damage arising from all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the limit of indemnity stated in the Schedule.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Additional premises

The insurance under this section extends to cover loss of or damage to all contents (which is the property of the Insured or property for which they are responsible) in a building at any additional premises used by the Insured, provided that:

- a) such additional premises are advised to the Insurer within 30 (thirty) days from the time the risk attaches to the Insurer;
- b) an additional premium, if any, is paid; and
- c) the Insurer's liability in respect of this extension shall not exceed 50 (fifty) percent of the highest amount stated in the Schedule applicable to any one premises.

2. Concealed thieves and skeleton keys

The insurance under this section extends to cover loss of or damage to the property insured caused or accompanied by:

- a) a thief or thieves being concealed upon the insured premises before close of business; and
- b) entry to and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding a duplicate key) provided that the Insured shall establish to the satisfaction of the Insurer that such a skeleton key or device was used.

3. Damage to buildings

The insurance under this section extends to cover:

- a) loss of or damage to the buildings (including landlord's fixtures and fittings), at the insured premises, whether accidental or by the deliberate or willful or wanton act of any person in the course of the defined events whether or not such defined event is reflected as included in the schedule;
- b) damage to gates and fences at the insured premises in the course of the defined events whether or not such defined event is reflected as included in the schedule;
- c) the Insurer will reimburse the Insured all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or damage giving rise to a claim under this section,

provided that:

- a) the Insurer's aggregate for a), b) and c) combined shall not exceed the amount stated in the Schedule in respect of any one event; and,
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

4. Fatal injury

The cover granted by this section includes fatal injury to any principal, partner, director or employee of the Insured sustained whilst on the Insured's premises and occasioned by outward and visible violence caused by burglars, the Insurer will pay to the executors or administrators of the deceased's estate the sum as stated in the Schedule, provided that death ensues within 3 (three) months of such injury.

5. Locks, keys, tags and remote access devices

In addition to the limit of indemnity stated in the Schedule, the Insurer will indemnify the Insured in respect of the cost of replacing locks, keys, tags and remote access devices to any insured office premises following upon the disappearance of any keys, tags, or devices to such office premises or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such keys, tags or devices, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule; and
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

6. Personal effects, tools and pedal cycles

In addition to any amount payable, the Insurer will also pay for loss of or damage to personal effects, tools and pedal cycles which are the property of the Insured or any principal, partner, director or employee of the Insured at the insured premises in so far as such property is not otherwise insured but limited in the case of any one person up to the amount stated in the Schedule and the amount stated in the Schedule in the aggregate for any event and subject to the defined events.

7. Property of visitors, guests or customers

In addition to any amount payable, the Insurer will also pay for loss of or damage to personal property and pedal cycles of visitors, guests or customers of the Insured at the insured premises in so far as such property is not otherwise insured but limited in the case of any one person up to the amount stated in the Schedule and the amount stated in the Schedule in the aggregate for any event and subject to the defined events.

8. Security costs

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

LIMITATION

The Insurer's liability under this section is restricted in respect of documents, manuscripts, business books, plans, designs, patterns, models and moulds to the value of materials and sums expended in labour.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

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

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Containers and/or contents

The insurance under this section is hereby extended to cover containers in the open and/or its contents at the Insured's premises stated in the Schedule against loss or damage by theft, or any attempt thereat, provided that:

- a) the security guard condition applies to cover provided under this extension;
- b) the premises are surrounded by a security fence that is at least 1.8 (one point eight) metres high;
- c) the entrance gate(s) is kept securely locked at all times;
- d) the conditions in respect of visible forcible and violent entry to or exit from the premises as described in the defined events of this section shall still apply in respect of the container contents;
- e) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for the event; and
- f) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

For the purpose of this extension, the definition of event shall be an event or series of events arising from one cause in respect of which indemnity is provided by this insurance.

2. Filling station extension

The following specific extensions are added:

- a) notwithstanding anything to the contrary contained in the defined events, the insurance under this section extends to cover theft, unaccompanied by force or violence, of property in the open from the premises described in the Schedule;
- b) in addition to any payment in respect of a defined event, the Insurer will indemnify the Insured for loss sustained arising from customer purchases being made with fraudulent or stolen credit/debit cards; and
- c) the insurance under this section extends to include a loss sustained by the Insured following abscondence by a customer prior to payment of his fuel purchase,

provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule; and
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

3. Fuel in underground tank(s)

The insurance under this section is hereby extended to include fuel kept in underground tank(s) at the insured premises subject to forcible and violent breaking into underground tanks which are securely locked by a suitable padlock or other approved method, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule; and
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

4. Motor vehicles inside buildings

The insurance under this section is hereby extended to cover vehicles (including accessories, fitted equipment, tyres, rims and other removable parts) inside the building(s) at the Insured's premises stated in the Schedule as a result of, or during the course of, theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence, provided that:

- a) the Insurer shall not be liable for the loss of or damage to any vehicle after the hours which the commercial operations of the Insured are conducted at the insured premises, unless:
 - i) all windows and doors as well as boots (if any) of the insured vehicles are properly closed and locked;
 - ii) the keys of such vehicles are kept in a locked South African National Standards (SANS) approved safe;
 - iii) the keys of such safe are removed from the business premises; and
 - iv) such safe must be situated within an area that has direct protection and coverage by a radio linked alarm system with armed response;
- b) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one event; and
- c) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

For the purpose of this extension, the definition of event shall be an event or series of events arising from one cause in respect of which indemnity is provided by this insurance.

5. Motor vehicles in the open

The insurance under this section is hereby extended to cover vehicles in the open at the Insured's premises stated in the Schedule against loss or damage by theft, or any attempt thereat, provided that the Insurer shall not be liable for the loss of:

- a) parts or accessories unless the vehicle to which such parts or accessories belong is stolen at the same time;
- b) any vehicle during the hours which the commercial operations of the Insured are conducted at the insured premises, unless:
 - i) all windows and doors as well as boots (if any) of the insured vehicles are properly closed and locked when not being worked upon or being shown to a customer;
 - ii) keys of unattended vehicles are not to be left in the vehicle(s) ignitions;
 - iii) such keys are to be kept separately in a safe place; and
 - iv) the release of the keys is in a controlled environment to ensure that only authorised personnel can acquire the keys;
- c) any vehicle after the hours which the commercial operations of the Insured are conducted at the insured premises, unless:
 - i) all windows and doors as well as boots (if any) of the insured vehicles are properly closed and locked;
 - ii) the keys of such vehicles are kept in a locked SANS approved safe;
 - iii) the keys of such safe are removed from the business premises; and
 - iv) such safe is situated within an area that has direct protection and coverage by a radio linked alarm system with armed response;

provided further that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one event; and
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

For the purpose of this extension, the definition of event shall be an event or series of events arising from one cause in respect of which indemnity is provided by this insurance.

6. Motor vehicle parts and accessories (Applicable to vehicles in the open)

The insurance under this section is hereby extended to cover theft of accessories, fitted equipment, tyres, rims and other removable parts from vehicles in the open at the Insured's premises stated in the Schedule against loss or damage by theft, or any attempt thereat, provided that:

- a) the security guard condition applies to cover provided under this extension;
- b) the maximum amount payable for theft of accessories, fitted equipment, tyres, rims and other removable parts shall be limited to 25 (twenty-five) percent of the reasonable retail value of the vehicle;
- c) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for the event; and
- d) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

For the purpose of this extension, the definition of event shall be an event or series of events arising from one cause in respect of which indemnity is provided by this insurance.

7. Property in the open

The insurance under this section is hereby extended to include loss of or damage to property (which is the property of the insured or property for which they are responsible) as specified in the Schedule whilst in the open at the insured premises described in the Schedule as a result of theft or any attempt thereat, provided that:

- a) the premises are surrounded by a security fence that is at least 1.8 (one point eight) metres high;
- b) the entrance gate(s) is kept securely locked at all times;
- c) the conditions in respect of visible forcible and violent entry to or exit from the premises as described in the defined events of this section shall still apply;
- d) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one event; and

e) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

For the purpose of this extension, the definition of event shall be an event or series of events arising from one cause in respect of which indemnity is provided by this insurance.

8. Tenants fixtures and fittings forming part of the building (non-forcible)

Loss of or damage to fixtures and fittings being the property of the Insured or for which they are responsible forming part of the building(s) occupied by the Insured as tenant and not as owner at the insured premises stated in the Schedule, as a result of theft or any attempt thereat; provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for the event; and
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

For the purpose of this extension, the definition of event shall be an event or series of events arising from one cause in respect of which indemnity is provided by this insurance.

9. Underground cables and pipes

The insurance under this section is hereby extended to cover underground cables and pipes (excluding cables or pipes in an open trench) at the Insured's premises stated in the Schedule or for which they are responsible against loss or damage by theft, or any attempt thereat, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one event; and
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

For the purpose of this extension, the definition of event shall be an event or series of events arising from one cause in respect of which indemnity is provided by this insurance.

SPECIFIC CONDITIONS

The following compulsory conditions always apply:

1. Event limit

The maximum amount payable by the Insurer is limited to the insured amount stated in the Schedule and includes all buildings on the premises stated in the Schedule. It shall mean that the insured amount shall be the maximum amount payable by the Insurer for any one event for all buildings on the premises combined and not each building individually.

2. Reinstatement value conditions (applicable to motor vehicles specifically insured as an extension)

- a) In the event of partial damage to motor vehicles, the basis of indemnity shall be the restoration costs to restore the vehicle to its pre-damage condition.
- b) In cases where a new vehicle is:
 - i) stolen and not recovered; or
 - ii) damaged as a result of a defined event to the extent that it is in the opinion of the Insurer beyond economical repair,the basis of indemnity shall be the current purchase price of a new vehicle of the same model to that stolen or damaged or the limit of indemnity stated in the Schedule whichever is the lesser, provided that if the Insured is able to procure a replacement vehicle for less than the current purchase price, the benefit of such saving will be passed onto the Insurer.

If the Insured is unable or unwilling to replace the vehicle, the basis of settlement will revert to the current purchase price.

- c) In cases where a motor vehicle which is not new is:
 - i) stolen and not recovered; or
 - ii) damaged as a result of a defined event to the extent that it is in the opinion of the Insurer beyond economical repair,the basis of indemnity shall be the reasonable retail value of the vehicle at the time of loss or damage or the limit of indemnity stated in the Schedule whichever is the lesser.
- d) Reasonable retail value shall mean the price at which the motor trade sells a vehicle including standard factory fitted accessories and spare parts therein and thereon, the cost of which are included in the retail value. The reasonable retail value is normally determined by reference to certain recognised current publications available to the Motor Trade and is based on the retail value shown in such publications. The vehicle's age, condition and odometer reading could affect the reasonable retail value.

3. Reinstatement value conditions (applicable to property other than motor vehicles)

In the event of loss or damage to property other than motor vehicles, the basis upon which the amount payable as a result of a defined event in respect of:

- a) property (other than stock) belonging to the Insured or for which they are responsible is to be calculated shall be either:
 - i) the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new;
 - ii) or the repair of the property to a condition substantially the same as, but not better than, its condition when new;
- b) stock belonging to the Insured is to be calculated as the cost price to the Insured at the time of the loss.

Provided that where the property is not replaced, the terms of this condition will not apply.

4. Voidance

This section shall be voidable if the nature of the risk is materially altered without the prior written consent of the Insurer.

1. Burglar alarm warranty

It is a condition precedent to the liability of the Insurer that a burglar alarm system will be installed in all premises stated in the Schedule to be subject to this condition and the Insured warrants that:

- a) the burglar alarm installed in the premises shall be fully activated whenever the premises is not open for normal business unless any principal, partner, director or employee is in or on the premises;
- b) the burglar alarm installed in the premises shall have adequate passive infrared motion detectors or beams installed to cover all entry or exit points (doors of any kind or description and all windows whether opening or not); and
- c) the passive infrared motion detectors or beams of the required alarm system are not obstructed or bypassed.

The insurance shall not cover loss of or damage to property following the use of keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured unless such keys, keypad code or remote control were obtained by violence or threat of violence to any person.

The Insured warrants further that:

- a) they have a contract for burglar alarm services and such services shall include the services of a 24 (twenty-four) hour armed response unit;
- b) the control panel shall have an event log and the arming and disarming of the alarm shall be logged;
- c) after the occurrence of a claim, the Insurer will be entitled to request full information of the relevant event log; and
- d) such alarm will be maintained in proper working order but the Insured shall be deemed to have discharged their liability if they have maintained their obligations under a maintenance contract with the installation/service company of the alarm system;

provided that:

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.

2. Burglar bars warranty

It is hereby declared and agreed that theft cover is subject to safety/security gates being fitted to all the windows (which can at the discretion of the Insured be openable, including inter alia louvre windows) of the building(s) situated on the premises as stated in the Schedule.

The following special exceptions will be applicable should the Insured not comply with this requirement in respect of any property that is insured under this section:

Special Exceptions

This section does not cover any loss or damage or claim directly or indirectly occasioned by or through or in consequence of

- a) theft or any attempt thereat (if insured under this section);
- b) theft (or attempt thereat) accompanied by forcible and violent entry into or exit from the buildings; or
- c) the actions of persons with wrongful intent during or following forcible and violent entry or exit from the buildings.

Warranty

It is further warranted by the Insured that the burglar bars referred to in this endorsement will not be altered or be removed unless agreed by the Insurer in writing.

3. Roller shutters warranty

It is hereby declared and agreed that theft cover is subject to roller shutters being fitted in front of all street facing shop fronts, glass and entrances of the building(s) situated on the premises as stated in the Schedule.

The following special exceptions will be applicable should the Insured not comply with this requirement in respect of any property that is insured under this section:

Special Exceptions

This section does not cover any loss or damage or claim directly or indirectly occasioned by or through or in consequence of

- a) theft or any attempt thereat (if insured under this section);
- b) theft (or attempt thereat) accompanied by forcible and violent entry into or exit from the buildings; or
- c) the actions of persons with wrongful intent during or following forcible and violent entry or exit from the buildings.

Warranty

It is further warranted by the Insured that the roller shutters referred to in this endorsement will not be altered or be removed unless agreed by the Insurer in writing.

4. Safety/security gates warranty

It is hereby declared and agreed that theft cover is subject to safety/security gates being fitted to all the outer doors (including inter alia sliding doors) of the building(s) situated on the premises as stated in the Schedule.

The following special exceptions will be applicable should the Insured not comply with this requirement in respect of any property that is insured under this section:

Special Exceptions

This section does not cover any loss or damage or claim directly or indirectly occasioned by or through or in consequence of:

- a) theft or any attempt thereat (if insured under this section);

- b) theft (or attempt thereat) accompanied by forcible and violent entry into or exit from the buildings; or
- c) the actions of persons with wrongful intent during or following forcible and violent entry or exit from the buildings.

Warranty

It is further warranted by the Insured that the safety/security gates referred to in this endorsement will not be altered or be removed and that the safety/security gates will be kept properly closed and locked at all times when the building(s) are left unattended.

5. Security guard condition

It is hereby declared and agreed that in respect of theft (as defined), or any attempt thereat, from any insured building at the insured premises stated in the Schedule, as being subject to the security guard condition, the following will be preconditions to the liability of the Insurer, and it is hereby warranted that:

- a) under a contract with a security firm (which is registered with the Security Officers' Board) the Insured has employed an employee(s) of the security firm to guard and protect the building;
- b) such employee(s) will be on duty whenever the building is not open for business, unless a principal, partner, director or employee of the Insured is in the building; and
- c) such employee(s) is/are in radio contact with the control room of the security firm and that the reaction unit of such security firm will react if assistance is called for.

DEFINED EVENTS

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

LIMIT OF INDEMNITY

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

DEFINITIONS
1. Clothing

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

2. Insured person

shall mean any principal, partner, director or employee of the Insured.

3. Money

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

4. Receptacle

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

SPECIFIC LIMITATIONS
1. Major limit

Money:

- a) contained on the Insured Premises when open for business; or
- b) contained in a locked safe or strongroom situated in a building at the Insured Premises outside the hours during which the commercial operations of the Insured are conducted; and
- c) whilst in transit between the Insured Premises and a bank or site where the Insured is working for the payment of wages during business hours.

2. Seasonal limit

Money for the seasonal period (as described and stated in the schedule) during which the major limit sum insured is replaced by the insured amount reflected in the schedule under Seasonal limit.

3. Minor limits

In respect of money not contained in a locked safe or strongroom:

- a) while on the insured premises situated as stated outside the hours during which the commercial operations of the Insured are conducted, provided that the Insurer's liability shall not exceed the amount stated in the Schedule, in respect of any one event;
- b) while in the residence of the Insured or any partner, director or employee of the Insured, provided that the Insurer's liability shall not exceed the amount stated in the Schedule, in respect of any one event;
- c) while in the custody of any partner, director or employee of the Insured while away from the insured premises on a business trip anywhere in the world, provided that the Insurer's liability shall not exceed the amount stated in the Schedule, in respect of any one event;
- d) while on the insured premises in the custody of one or more (as stated on the Schedule) petrol attendant(s), provided that the Insurer's liability shall not exceed the amount stated in the Schedule, in respect of any one event;
- e) in the custody of one or more (as stated on the Schedule) collectors or roundsmen, provided that the Insurer's liability shall not exceed the amount stated in the Schedule, in respect of any one event;
- f) in the custody of one or more (as stated on the Schedule) cash on delivery (COD) delivery person, provided that the Insurer's liability shall not exceed the amount stated in the Schedule, in respect of any one event.

4. Safe or strongroom limits

In respect of any safe or strongroom, the limit shall be according to the South African National Standards (SANS) grading of such safe or strongroom detailed below:

No S.A.N.S. grading	R10,000
S.A.N.S. category 1-grading	R15,000
S.A.N.S. category 2-grading	R30,000

S.A.N.S. category 2 HD-grading	R60,000
S.A.N.S. category 2 ADM-grading	R150,000
S.A.N.S. category 2 ADM-grading D3	R200,000
S.A.N.S. category 3-grading	R275,000
S.A.N.S. category 4-grading	R500,000
S.A.N.S. category 5-grading	R750,000

provided that the Insurer's liability shall not exceed the limit stated in the Schedule under the seasonal limit for the premises concerned.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Clothing

In addition to any payment in respect of a defined event, the Insurer will indemnify the Insured in respect of clothing (as defined) lost or damaged as a result of theft of money or attempted theft of money, provided that:

- a) the Insurer's liability shall not exceed the amount stated in the Schedule, in respect of any one event;
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

2. Contingency cover

Where the Insured has entered into a contract with a cash in transit Insurer or the Insured's bank to the effect that the cash in transit Insurer or bank will insure the Insured's money under their policy (hereinafter called "other policy"), the Insurer will subject to the terms, exceptions and conditions of this section and policy indemnify the Insured for a defined event on the following contingency bases:

a) Difference in Conditions

should the other policy not provide indemnity due to a policy exception or a breach of a policy condition and should the bank or cash in transit Insurer not compensate the Insured, this section will operate as though such other policy did not exist; and

b) Difference in Limits

should the amount recoverable in terms of the other policy be less than the limit of indemnity of this section, this section will provide cover for the difference between the amount recoverable under the other policy and the limit of indemnity of this section.

The limit of indemnity of this section is inclusive of and is not in addition to any amount recoverable under the other policy and in the settlement of all such losses, the amount recoverable under the other policy will be subtracted from the limit of indemnity of this section so that the actual claims payment will always be less than the limit of indemnity of this section.

The excess applicable to this section will be waived if the other policy responds to the loss, provided that where the indemnity provided by the other policy is less than this excess, the Insured shall still be responsible for a portion of the excess calculated by subtracting the amount paid by the other policy from the excess.

General Condition 19 of this policy (Other insurance) shall not apply to this extension.

3. Extortion

The Insurer will indemnify the Insured in respect of loss of or damage to money if the Insured or any director, member, partner, trustee, or employee of the Insured or a relative of any such person is threatened with physical harm which induces such person to take money belonging to the Insured, provided that the person threatened has made every reasonable attempt to report the threat to an associate and to the law enforcement authorities at the earliest reasonable opportunity.

This extension will not apply for any loss which is insured or which would be insurable in terms of any section, policy or any other more specific insurance covering money.

4. Fatal injury

The cover granted by this section includes fatal injury to any principal, partner, director or employee of the Insured sustained whilst on the Insured's premises and occasioned by outward and visible violence during an armed hold up. The Insurer will pay to the executors or administrators of the deceased's estate the sum stated in the Schedule, provided that death ensues within 3 (three) months of such injury.

5. Locks, keys, tags and remote access devices

The Insurer will indemnify the Insured in respect of the cost of replacing locks, keys, tags and remote access devices to any receptacle at the insured premises following upon the disappearance of any such keys, tags or devices to such receptacle or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such keys, tags or devices, provided that

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule; and
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

6. Receptacles

In addition to any payment in respect of a defined event, the Insurer will indemnify the Insured in respect of receptacles lost or damaged as a result of theft of money or attempted theft of money, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule; and
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

7. Security costs

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Bank automated telling machines

The Insurer will indemnify the Insured for loss or damage to money for which the Insured is responsible whilst in any bank automated telling machine, provided that:

- a) the Insurer's maximum liability shall not exceed, the amount stated in the Schedule; and
- b) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

2. Credit/debit cards

The Insurer will indemnify the Insured against loss as a result of illegal use of any credit, charge, debit or cash card issued in the Insured's name, provided that:

- a) the card is used by an unauthorised person;
- b) the loss is reported immediately to the South Africa Police Service and the registered issuing administrator of the card after the loss of the card is discovered;
- c) the Insured complied with all terms and conditions of issue by the registered issuing administrator related to lost or stolen cards;
- d) the Insurer shall not indemnify the Insured for any losses arising after the issuers of such card have accepted liability for such unauthorised use; and
- e) the Insurer's liability shall not exceed the amount stated in the Schedule, in respect of any one event.

3. Electronic funds and electronic airtime transfer fraud

The definition of Money is extended to include electronic monetary funds in a bank account of the Insured or electronic airtime, for which the Insured is legally liable, provided that:

- a) Loss of electronic monetary funds and electronic airtime is restricted to a reduction of such funds due to:
 - i) the Insured or any employee of the Insured being forced following violence or a threat of violence, to transfer such funds out of the Insured's bank account or to transfer such electronic airtime;
 - ii) theft of the Insured's bank cards;
 - iii) fraudulent use by a third party of the Insured's bank card number in conjunction with the card verification number/value to purchase goods;
 - iv) the Insured's bank card or details being replicated by means of skimming at an ATM or pay point and subsequently being used to purchase goods, withdraw or transfer funds out of the Insured's bank account;
 - v) the Insured's bank account or online banking facility or access to such electronic airtime being hacked by a third party;
 - vi) the fraudulent activity of any principal, partner, director or person or persons in the employ of the Insured discovered within the period contained in Specific Exception 1: Dishonesty of this section;
 - vii) the Insured or an employee of the Insured through a scheme or trick being misled into transferring funds out of the bank account of the Insured or transferring electronic airtime;
- b) The amount payable under this extension for any claim or number of claims during any one (annual) period of insurance (or twelve consecutive months from the inception date or anniversary date if this policy is paid monthly by debit order), shall not exceed in the aggregate the insured amount stated in the schedule against this extension;
- c) The Insured immediately report any incident mentioned under a) above including any loss or theft of a bank card to the relevant bank or the electronic airtime provider and immediately comply with all instructions of the bank to minimise further losses.
- d) The Insurer shall not be liable under this extension for loss of or damage to electronic monetary funds or electronic airtime:
 - i) where the Insured and employees of the Insured have not followed all of the bank or electronic airtime provider's security recommendations and requirements, including password and number protection both prior to and after any loss;
 - ii) that can be recovered from the Insured's bank, the electronic airtime provider or any other insurance;
 - iii) where c) above has not been strictly complied with;
 - iv) arising out of an event described under a) vii) above and not discovered as being a fraudulent scheme or trick within 15 (fifteen) working days after the transfer of such funds.
 - v) if the Insured did not have reputable and updated internet security software installed on the device at the time of any breach as set out under a) v) above.

For the purposes of this extension a bank card shall include debit, credit, petrol or any other cards issued by the Insured's bank that can be used to withdraw, pay or transfer funds from the Insured's bank account.

4. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

5. Personal accident (assault)

The term "defined events" in the money section shall be deemed to include bodily injury caused by accidental, violent external and visible means as a result of theft, or any attempt thereof, to the Insured or to any principal, partner, director or employee of the Insured (hereinafter in this extension referred to as "such person") while such person is acting in the course of their duties in the Insured's employ.

The Insurer will pay to the Insured, on behalf of such person or his estate, the sum or sums stated in the Schedule in the event of bodily injury to such person resulting within 24 (twenty-four) calendar months in,

- a) death the capital sum
- b) permanent disability as follows the percentage of the capital sum specified:

Permanent disability shall mean	Percentage of compensation
Loss by physical separation at or above the wrist or ankle of one or more limbs	100% (one hundred percent)
Permanent and total loss of:	
Whole eye	100% (one hundred percent)
Sight of eye	100% (one hundred percent)
Sight of eye except perception of light	100% (one hundred percent)
Permanent and total loss of hearing:	
Both ears	100% (one hundred percent)
One ear	25% (twenty-five percent)
Permanent and total loss of speech	100% (one hundred percent)
Injuries resulting in permanent total incapacity from following usual occupation or any other equivalent occupation for which such person is fitted by knowledge or training	100% (one hundred percent)
Loss of four fingers	70% (seventy percent)
Loss of thumb:	
Both phalanges	30% (thirty percent)
One phalanx	15% (fifteen percent)
Loss of index finger:	
Three phalanges	15% (fifteen percent)
Two phalanges	10% (ten percent)
One phalanx	5% (five percent)
Loss of any other finger - each finger:	
Three phalanges	10% (ten percent)
Two phalanges	8% (eight percent)
One phalanx	5% (five percent)
Loss of metacarpals:	
First or second (additional)	3% (three percent)
Third, fourth or fifth (additional)	2% (two percent)
Loss of toes:	
All on one foot	30% (thirty percent)
Great (both phalanges)	10% (ten percent)
Great (one phalanx)	5% (five percent)
Other than great, if more than one toe lost, each	5% (five percent)

In the case of total and absolute incapacity from following usual business or occupation, the weekly sum specified in the Schedule shall be payable.

- c) The reasonable expenses incurred, up to the sum specified in the Schedule, shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) incurred within 24 (twenty-four) months of the defined event.

Memoranda (Applicable to Permanent Disablement Benefits)

- a) Where the injury is not specified, the Insurer will pay such sum as in its opinion is consistent with the above provisions.
- b) Permanent total loss of use of part of the body shall be considered as loss of such part.
- c) 100% (one hundred percent) shall be the maximum percentage of compensation payable for disability resulting from an accident or series of accidents arising from one cause in respect of any such person, provided that:
 - i) the Insurer shall not be liable to pay in respect of any one such person more than the capital sum plus the sums specified under items 4a and 4b;
 - ii) the sum specified under item 4c shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 (one hundred and four) weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain;
 - iii) compensation payable under item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4;

- iv) this extension shall not apply to any insured person before they attain 15 (fifteen) years of age or after the expiry of the period of insurance in which they attain 75 (seventy-five) years of age;
- v) after suffering bodily injury for which any benefit may be payable under this extension, the insured person shall, when reasonably required by the Insurer so to do, submit to medical examination and undergo any treatment specified. The Insurer shall not be liable to make any payment unless this proviso is complied with to their satisfaction;
- vi) General Exception 14 and General Conditions 19 and 23 do not apply to this extension; and
- vii) in respect of this extension, only General Exception 1 is deleted and replaced by the following:

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

EXTENSIONS TO THE PERSONAL ACCIDENT (ASSAULT) EXTENSION

1. Exposure

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from such person being the victim of theft or any attempt thereat.

2. Disappearance

In the event of disappearance of any such person in circumstances which satisfy the Insurer that the Insured person has sustained injury to which this personal accident (assault) extension applies and that such injury has resulted in the death of such person, the Insurer will, for the purpose of the insurance afforded by this extension, presume his/her death, provided that:

if, after the Insurer shall have made payment hereunder in respect of such person's presumed death, the Insured person is found to be alive, such payment shall forthwith be refunded by the Insured to the Insurer, subject to the Insured being able to recover such payment from the person(s) to whom it was paid.

3. Search and rescue

The Insurer will, in addition, pay reasonable official search and rescue costs incurred as a result of, or in order to prevent, accidental bodily injury to any insured person following theft, attempted theft or hijack,

provided that:

- a) the Insurer will not be liable if such person is found in circumstances which are unlikely to result in accidental bodily injury; and
- b) the maximum liability of the Insurer under this extension in respect of any one such person shall be limited to the capital sum.

4. Trauma counselling

The Insurer will pay for costs incurred by any insured person undergoing treatment by a registered psychologist following such insured person being psychologically traumatised as a direct result of violence or threat of violence during theft, attempted theft or hijack, provided that the liability of the Insurer for such costs is limited to 10% (ten percent) of the compensation for death stated in the Schedule in respect of any one claim or series of claims from one event.

5. Skeleton keys

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

SPECIFIC EXCEPTIONS

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

1. Dishonesty

arising from dishonesty of any principal, partner, director or person or persons in the employ of the Insured not discovered within 14 (fourteen) working days of the occurrence thereof;

2. Error or omission

arising from shortage due to error or omission;

3. Use of keys

arising from the use of keys to any safe or strongroom unless the keys:

- a) are obtained by violence or threats of violence to any person; or
- b) are used by the keyholder or some other person with the collusion of the keyholder and the Insured can prove to the satisfaction of the Insurer that the keyholder or such other person had used the keys to open the safe or strongroom;

4. Unlocked safe or strongroom

in an unlocked safe or strongroom whilst the portion of the premises containing such safe or strongroom is unattended but this exception will not apply if it can be shown to the satisfaction of the Insurer that the keyholder to the safe or strongroom deliberately left it unlocked with the intention of allowing the money to be stolen;

5. Locked safe or strongroom

not contained in a locked safe or strongroom whilst the portion of the premises containing such money is unattended but this exception will not apply if it can be shown to the satisfaction of the Insurer that the person(s) responsible for the money deliberately left it outside the safe or strongroom with the intention of allowing it to be stolen; or

6. In any vehicle

in any vehicle being used by the Insured or any principal, partner, director or employee of the Insured where such person is actually in such vehicle or, if not in such vehicle, is within 10m (ten metres) of it in a position from which the vehicle is clearly visible. This exception shall not apply following an accident involving such vehicle rendering the said person incapacitated.

Specific Exceptions 3, 4, 5 and 6 do not apply up to the amount stated in the schedule and such losses shall not be reduced by any excess.

MEMORANDA

1. Dishonesty

Loss of or damage to money as insured under this section arising from dishonesty of any principal, partner, director or person in the employ of the Insured (such person), as defined under this section, shall be subject to the following compulsory excess clause:

The amount payable hereunder in respect of an event involving any such person or any number of such persons acting in collusion shall be reduced by an amount equal to 10% (ten percent) of the claim subject to a minimum of R2,500 (two thousand five hundred Rand).

2. Fidelity insurance

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

SECURITY REQUIREMENTS (IF STATED IN THE SCHEDULE TO BE APPLICABLE)

1. Burglar alarm warranty

It is a condition precedent to the liability of the Insurer that a burglar alarm system will be installed in all premises stated in the Schedule to be subject to this condition and the Insured warrants that:

- the burglar alarm installed in the premises shall be fully activated whenever the premises is not open for normal business unless any principal, partner, director or employee is in or on the premises;
- the burglar alarm installed in the premises shall have adequate passive infrared motion detectors or beams installed to cover all entry or exit points (doors of any kind or description and all windows whether opening or not); and
- the passive infrared motion detectors or beams of the required alarm system are not obstructed or bypassed.

The insurance shall not cover loss of or damage to property following the use of keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured unless such keys, keypad code or remote control were obtained by violence or threat of violence to any person.

The Insured warrants further that:

- they have a contract for burglar alarm services and such services shall include the services of a 24 (twenty-four) hour armed response unit;
- the control panel shall have an event log and the arming and disarming of the alarm shall be logged;
- after the occurrence of a claim, the Insurer will be entitled to request full information of the relevant event log; and
- such alarm will be maintained in proper working order but the Insured shall be deemed to have discharged their liability if they have maintained their obligations under a maintenance contract with the installation/service company of the alarm system;

provided that:

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.

2. Burglar bars warranty

It is hereby declared and agreed that theft cover is subject to safety/security gates being fitted to all the windows (which can at the discretion of the Insured be openable, including inter alia louvre windows) of the building(s) situated on the premises as stated in the Schedule.

The following special exceptions will be applicable should the Insured not comply with this requirement in respect of any property that is insured under this section:

Special Exceptions

This section does not cover any loss or damage or claim directly or indirectly occasioned by or through or in consequence of

- theft or any attempt thereat (if insured under this section);
- theft (or attempt thereat) accompanied by forcible and violent entry into or exit from the buildings; or
- the actions of persons with wrongful intent during or following forcible and violent entry or exit from the buildings.

Warranty

It is further warranted by the Insured that the burglar bars referred to in this endorsement will not be altered or be removed unless agreed by the Insurer in writing.

3. Roller shutters warranty

It is hereby declared and agreed that theft cover is subject to roller shutters being fitted in front of all street facing shop fronts, glass and entrances of the building(s) situated on the premises as stated in the Schedule.

The following special exceptions will be applicable should the Insured not comply with this requirement in respect of any property that is insured under this section:

Special Exceptions

This section does not cover any loss or damage or claim directly or indirectly occasioned by or through or in consequence of:

- theft or any attempt thereat (if insured under this section);

- b) theft (or attempt thereat) accompanied by forcible and violent entry into or exit from the buildings; or
- c) the actions of persons with wrongful intent during or following forcible and violent entry or exit from the buildings.

Warranty

It is further warranted by the Insured that the roller shutters referred to in this endorsement will not be altered or be removed unless agreed by the Insurer in writing.

4. Safety/security gates warranty

It is hereby declared and agreed that theft cover is subject to safety/security gates being fitted to all the outer doors (including inter alia sliding doors) of the building(s) situated on the premises as stated in the Schedule.

The following special exceptions will be applicable should the Insured not comply with this requirement in respect of any property that is insured under this section:

Special Exceptions

This section does not cover any loss or damage or claim directly or indirectly occasioned by or through or in consequence of:

- a) theft or any attempt thereat (if insured under this section);
- b) theft (or attempt thereat) accompanied by forcible and violent entry into or exit from the buildings; or
- c) the actions of persons with wrongful intent during or following forcible and violent entry or exit from the buildings.

Warranty

It is further warranted by the Insured that the safety/security gates referred to in this endorsement will not be altered or be removed and that the safety/security gates will be kept properly closed and locked at all times when the building(s) are left unattended.

5. Security guard condition

It is hereby declared and agreed that in respect of theft (as defined), or any attempt thereat, from any insured building at the insured premises stated in the Schedule, as being subject to the security guard condition, the following will be preconditions to the liability of the Insurer, and it is hereby warranted that:

- a) under a contract with a security firm (which is registered with the Security Officers' Board) the Insured has employed an employee(s) of the security firm to guard and protect the building;
- b) such employee(s) will be on duty whenever the building is not open for business, unless a principal, partner, director or employee of the Insured is in the building; and
- c) such employee(s) is/are in radio contact with the control room of the security firm and that the reaction unit of such security firm will react if assistance is called for.

TRANSIT WARRANTY

It is a condition precedent to the liability of the Insurer and warranted that:

1. Money in transit up to R15,000 (fifteen thousand Rand)

money in transit up to R15,000 (fifteen thousand Rand) from and to the bank must be accompanied by no less than 2 (two) employees of the Insured and cover is only provided for direct uninterrupted transit between the Insured's premises and the Insured's bank. Theft from unattended vehicles is specifically excluded;

2. Money in transit over R15,000 (fifteen thousand Rand) up to R50,000 (fifty thousand Rand)

money in transit over R15,000 (fifteen thousand Rand) from and to the bank must be convoyed by no less than 2 (two) armed employees of the Insured or armed guards and cover is only provided for direct uninterrupted transit between the Insured's premises and the Insured's bank. Theft from unattended vehicles is specifically excluded;

3. Money in transit in excess of R50,000 (fifty thousand Rand)

money in transit in excess of R50,000 (fifty thousand Rand) from and to the bank must be convoyed by a registered specialised money transit courier, provided that:

- a) the vehicle transporting such money is never left unguarded;
- b) the Insurer will not be liable for the loss which is recoverable under the contract between the Insured and the specialised money transit courier;
- c) the Insured must have a contract between the specialised money transit courier and such contract is to be maintained in force during the currency of this policy.

Special condition

This transit warranty excludes the movement of money within the same building of the Insured's premises stated in the Schedule.

SPECIAL CONDITIONS APPLICABLE TO CHEQUES

Any loss or series of losses attributable to one original event which is payable under this section and which results from the theft of any cheque or cheques shall be reduced by an excess of 25% (twenty-five percent) of the loss indemnifiable by this section unless:

1. cheques drawn by the Insured:

- a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended South African Insurance Association (SAIA) procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA and the printed portion of the cheque (as opposed to the written or typed portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau; and
- b) the cheque has been dispatched to the payee by certified post or any post where the security is equal or superior to certified post;

2. cheques drawn by someone other than the Insured and which were received by the Insured by post or direct by the cashier:
 - a) such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by the Insured; and
 - b) the Insured is able to identify the drawer and amount of the cheque from their records;
3. cheques, of which the Insured is the true owner, which were drawn by someone other than the Insured and posted to the Insured but not received:
 - a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended SAIA procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA;
 - b) the cheque was dispatched to the Insured by certified post or any post where security is equal or superior to certified post; and
 - c) the invoice of the Insured (to which the payment by cheque relates) contains a message (approved by the Insurer or SAIA) on it recommending or requiring that the cheque be drawn in accordance with the undermentioned "Recommended SAIA procedure for drawing and crossing of cheques".

DEFINED EVENTS

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

ADDITIONAL COVER (IF STATED AS INCLUDED IN THE SCHEDULE)**1. Express delivery and other charges**

Following loss of or damage to glass as set out in the defined events, the Insurer will also indemnify the Insured for additional costs incurred for the express delivery of replacement glass by road/rail or airfreight and overtime charges incurred for its fitting up to the amount stated in the Schedule.

2. Other costs and expenses

Following loss of or damage to glass as set out in the defined events, the Insurer will also indemnify the Insured for:

- a) the cost of such boarding up as may be reasonably necessary;
- b) damage to shop fronts, frames, window displays (including fixtures and fittings), burglar alarm strips, wires and vibrators as a direct result of such loss or damage;
- c) the cost of removal and reinstallation of fixtures and fittings necessary for the replacement of the glass; and
- d) the cost of employment of a watchman service prior to replacement of glass or boarding up or the repair of the burglar alarm system, unless payable under any other insurance arranged by the Insured;

provided that:

the liability of the Insurer shall not exceed in the aggregate for all other costs and expenses as set out in a), b) and c) above, the amount stated in the Schedule for any one occurrence or series of occurrences attributable to one source or original cause.

Fixtures and fittings mentioned in b) above is extended to include "motion detectors, cameras, electric motors and other automatic opening or locking devices not otherwise insured and which are fixed to or operate with insured glass doors".

SPECIFIC CONDITION

The maximum amount payable by the Insurer is limited to the insured amount stated in the Schedule and if in the Schedule against "Basis" it states "All buildings on the premises", it shall mean that the insured amount shall be the maximum amount payable by the Insurer for any one event for all buildings on the premises combined and not to each building individually.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

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

CLAUSES AND EXTENSIONS: AUTOOMATICALLY INCLUDED**1. Special replacement**

If, following loss or damage insured by this section, the Insured is obliged in terms of the National Building Regulations or similar legislation to replace the damaged glass with glass of a superior quality, then:

- a) such increased glass replacement costs shall be covered by this section provided that the total liability of the Insurer shall not be increased beyond the insured amount stated in the Schedule against "Accidental damage to glass"; and
- b) any increased or additional costs for frames or other items as insured under "Other costs and expenses" following the replacement of glass by superior glass shall be covered provided "Other costs and expenses" is reflected as "included" in the Schedule and provided further that the total liability of the Insurer for these additional costs shall not be increased beyond the insured amount stated in the Schedule against this cover.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule.

1. Advertising signs, blinds and canopies

This section extends to include damage to external advertising signs, blinds and canopies including signwriting and treatment thereon manufactured of glass, plastic, perspex or similar brittle material at the insured premises as stated in the Schedule, the property of the Insured or for which they are responsible, provided that:

- a) the Insurer's liability under this extension shall not exceed the amount stated in the Schedule;

b) the Insured shall be responsible for the excess stated in the Schedule, in respect of each and every event.

2. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

3. Sanitary ware

This section is extended to include cover for loss or damage to sanitary ware being fixtures or fittings of the insured building(s) at the premises stated in the Schedule, provided that:

- a) the Insurer's liability under this extension shall not exceed the amount stated in the Schedule; and
- b) the Insured shall be responsible for the excess stated in the Schedule in respect of each and every event.

DEFINED EVENTS

The Insurer shall indemnify the Insured for losses occurring subsequent to the retroactive date, stated in the Schedule, and discovered during the period of insurance for:

1. loss of money and/or other property belonging to the Insured or for which they are responsible, stolen by an insured employee;
2. direct financial loss sustained by the Insured as a result of fraud or dishonesty of an insured employee all of which occurs during the currency of this section which results in dishonest personal financial gain for the employee concerned; and
3. loss sustained by the Insured directly caused by theft by computer fraud by the employee if the computer losses extension has been included in the Schedule, provided that:
 - a) renewal of this insurance from period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the Insurer beyond the sum insured stated in the Schedule. If the period of insurance is less than 12 (twelve) months the Insurer's liability is limited to the sum insured stated in the Schedule for any 12 (twelve) month period calculated from inception or renewal;
 - b) the liability of the Insurer for all losses shall not exceed the sum insured stated in the Schedule whether involving any one employee or third party or any number of employees or third parties acting in collusion or independently of each other and the limit of indemnity is the total aggregate amount of the indemnity for which the Insurer shall be liable during any one period of insurance for all legal persons and events insured under this policy and payment of the total sum insured in any one period of the insurance by way of indemnity to one or more of such insured persons shall discharge the Insurer's liability in respect of all insured persons and events under this policy for that period of insurance;
 - c) where indemnity is provided to the Insured in terms of any insurance superseded by the policy, the liability of the Insurer shall be limited to only that proportion of the loss which is not payable in terms of the superseded policy;
 - d) all acts committed by any one person or in which such person is involved or implicated will be considered one event; and
 - e) the term dishonest personal financial gain shall not include gain by an employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

DEFINITIONS

1. Insured employee

shall mean:

- a) any person while employed under a contract of service with or apprenticeship to the Insured;
- b) any person while hired or seconded from any other party into the service of the Insured;
- c) any person who is a commission agent of the Insured;
- d) any person being students, volunteers or persons employed on youth training or work experience schemes; or
- e) any member of the board of trustees of any pension fund, provident fund or benefit fund as defined in the Income Tax Act, 1962 established by the Insured for the benefit of employees referred to in (a)

who the Insured has the right at all times to govern, control and direct in the performance of their work in the course of the business of the Insured and who, if this section is on a named and/or position basis, is described in the Schedule by name and/or by the position held by them in the business.

2. In respect of defined event 3 loss

shall mean the actual loss of money or monetary funds or negotiable instruments or corporeal tangible property belonging to the Insured or for which the Insured is responsible, provided that the loss does not include a loss arising from the avoidance, breach, cancellation or other termination of a contract, the non-payment or other non-performance by a debtor, the adverse consequence of a business or trade risk or venture or other speculative enterprise or investment or the provision or receipt or any suretyship or other security.

3. Theft

shall mean the dishonest appropriation of money, monetary funds or property with the intention to steal.

4. Computer fraud

shall mean the unlawful making of a misrepresentation with intent to defraud by means of access to or use, disclosure, processing, deletion, insertion, amendment, interception or manipulation of the information, data, software or systems of the Insured or of any banking institution holding, controlling or otherwise dealing with money or property of the Insured or for which the Insured is responsible which is initiated, implemented or completed electronically by use of a computer.

SPECIFIC EXCEPTIONS

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

- b) any consequential losses of any kind following losses referred to under defined events.
2. This section does not cover any Insurer or other legal entity acquired by the Insured during the period of insurance.
3. The Insurer shall not be liable for any defined event if it results from the dishonest:
- manipulation of;
 - input into;
 - suppression of input into;
 - destruction of; or
 - alteration of;
- any computer programme, system, data or software by any insured employee who is employed in the Insured's electronic data-processing department or area.
- This exception does not apply to insured employees who are employed in the electronic data-processing department/area of any non-networked micro/personal computer.
4. The Insurer shall be liable only to the extent of the participation/shareholding of any uninvolved partners/principals/directors or members for an insured event in which any partner/principal/director or member of the Insured is or has been directly involved.
- This specific exception applies only to:
- partnerships;
 - proprietary companies;
 - close corporations; or
 - trusts.
5. In respect of Defined Event 3 the Insurer shall not be liable for any loss which is insured or which would be insurable in terms of a Money or Theft Insurance Policy.

SPECIFIC CONDITIONS

1. Apportionment of recoveries

If the Insured shall sustain any loss to which this section applies which exceeds the amount payable hereunder in respect of such loss, the Insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security or indemnity taken or effected by the Insurer or for the amount of any excess) by whomsoever made on account of such loss until fully reimbursed, less the actual cost of effecting the same, and any remainder shall be applied to the reimbursement of the Insurer and the Insured to the extent of their co-insurance in terms of the compulsory excess clause and/or Schedule.

2. Claims

- On the discovery of any event which may result in a claim under the policy, the Insured shall at their own expense:
 - give notice thereof to the Insurer as soon as reasonably possible but within a maximum period of 90 (ninety) days and provide particulars of any other insurance covering such events as are hereby insured;
 - as soon as practicable after the event inform the police of any loss and take all practicable steps to discover the guilty party and to recover the stolen property;
 - as soon as practicable after the event submit to the Insurer full details in writing of any claim;
 - give the Insurer such documentary proof, information and sworn declarations as the Insurer may require.
- In the event of a claim being rejected and legal action not being commenced within 12 (twelve) months after such rejection all benefits afforded under the policy in respect of any such claim shall be forfeited.
- If after the payment of a claim in terms of the policy the property (the subject matter of the claim) or any part thereof is located, the Insured shall render all assistance in the identification and physical recovery of such property if called upon to do so by the Insurer, provided that the Insured's reasonable expenses in rendering such assistance shall be reimbursed by the Insurer. Should the Insured fail to render assistance in terms of this condition when called upon to do so, the Insured shall immediately become liable to repay to the Insurer all amounts paid in respect of the claim.
- When amounts recoverable from the Insurer are delayed pending finalisation of any claim, payments on account may be made to the Insured if required at the discretion of the Insurer.

3. Maintenance of systems and procedures

The Insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting his business as has been represented to the Insurer but the Insured may:

- change the remuneration and conditions of service of any employee;
- make such other changes as are approved beforehand in writing by the Insured's auditors.

4. Other insurances

It is a condition of this section that other than:

- a money policy;
- a policy declared to the Insurer at inception or renewal or at the time a claim is submitted;
- a fidelity pension fund policy which is not in excess of this section; and
- this policy;

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

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Accountants

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

2. Extended cover for past employees

Any person who ceases to be an employee shall, for the purposes of this section, be considered as being an employee for a period of 30 (thirty) days after such person ceased to be an employee.

3. Unidentifiable employees

If a loss is alleged to have been caused by the fraud or dishonesty of any of the employees and the Insured shall be unable to designate the specific employee or employees causing the loss, the Insured's claim in respect of such loss shall not be invalidated by their inability to do so provided the Insured is able to furnish evidence to prove to the reasonable satisfaction of the Insurer that the loss was in fact due to the fraud or dishonesty of an employee acting alone or in collusion with others.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Computer losses

Provided the Insured has completed a satisfactory questionnaire, Specific Exception 3 and the computer losses excess clause are deleted.

2. Costs of recovery

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

3. Extortion

The defined events shall include loss due to the taking by extortion from the Insured of money and/or other property by intentionally and unlawfully subjecting the Insured or any director, member, partner, trustee or employee of the Insured or a relative or any such person to any threat of physical harm which includes such person to submit to the taking;

provided that:

the person threatened has made every reasonable attempt to report the threat to an associate and to the law enforcement authorities at the earliest reasonable opportunity; and

provided further that:

this extension shall not entitle the Insured to indemnity in respect of any loss which is insured or which would be insurable in terms of a theft, money, motor or marine/transit insurance policy or any other more specific insurance covering money or goods.

4. Legal fees

The Insurer will indemnify the Insured for all reasonable legal fees, costs and expenses incurred and paid by the Insured in the defence of any demand, claim, suit or legal proceeding which the Insured establishes to the satisfaction of the Insurer, resulted directly and solely from an insured defined event under this section that is not otherwise excluded under this section.

5. Losses discovered more than 24 (twenty-four) months after being committed

In consideration of the accounting firm named in the Schedule having conducted a satisfactory audit of the Insured's systems of:

- a) control; and
- b) fraud, dishonesty and theft detection;

and subject to the Insured implementing and maintaining all the recommendations contained in such audit,

provided that:

Proviso 3 of the defined events (which limits cover to that part of losses discovered within 24 (twenty-four) months and Proviso 6 of the superseded insurance extension clause (if applicable) are deleted; and

the excess clause for losses discovered more than 12 (twelve) months after they were committed is deleted.

6. Losses discovered more than 24 (twenty-four) months after being committed but not more than 36 (thirty-six) months thereafter

- a) In consideration of the payment of an additional premium, Proviso 3 of the defined events is restated to read:
 - i) "the Insurer is not liable for all losses which occurred more than 36 (thirty-six) months prior to discovery."
- b) If this section includes the superseded insurances extension, the period referred to in Proviso 6 thereof is increased from 24 (twenty-four) months to 36 (thirty-six) months.

7. Managing agents

This section is extended to include the appointed managing agent as an insurable person. The appointment must be a written contract or written service level agreement between the managing agent and the body corporate, Insurer or scheme.

The maximum amount for which the Insured can claim due to any fraudulent misappropriation of funds by the Insured's appointed managing agent is the sum stated for this extension on the Schedule. The renewal of this policy from period to period, or any extension of any period of insurance shall not have the effect of accumulating or increasing the maximum amount the Insurer will pay.

For the purpose of this extension, a managing agent means a person or Insurer, their employees, contractors and other persons acting on behalf of or under their direction, with delegated functions, appointed by the body corporate, Insurer or scheme, to control, manage and administer the business or affairs of the body corporate, Insurer or scheme.

8. Reduction/reinstatement of insured amount

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

- a) the maximum amount payable by the Insurer for all insured employees shall not exceed double the sum insured stated in the Schedule; and
- b) the insured pays additional premium calculated in terms of the following formula:

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

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

The words "annual premium" in the above calculation is amended to read "12 (twelve) times the monthly premium" for the policies paid by monthly debit order.

9. Restoring of records or documents

This policy is extended to include costs, charges and expenses incurred by the Insured in replacing and/or restoring any computer files, data, media, documents, manuscripts, business books, plans, designs, specifications or programmes destroyed, damaged or lost as a result of loss insured by this policy, provided that the liability of the Insurer shall not exceed the amount stated in the Schedule.

10. Retroactive cover (no previous insurance in force)

This section will also apply to defined events as insured herein which occurred up to 12 (twelve) months prior to inception of this section but not more than 24 (twenty-four) months prior to discovery, provided the events are discovered within the shorter period of 12 (twelve) months of the termination of the employment of the employee concerned or 12 (twelve) months of the expiration of this section.

11. Superseded insurances

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

- a) this extension is restricted to losses which would have been payable by the superseded insurance but which are not claimable because of the expiry of the period of time allowed by the superseded insurance for the discovery of the defined events;
- b) the defined events are discovered within the shorter period of 12 (twelve) months of the termination of the employment of the employee concerned or 12 (twelve) months of the expiry of this section;
- c) the amount payable under this extension shall not exceed the amount insured by this section or the amount insured by the superseded insurance whichever is the lesser;
- d) in the event of the defined events involving one employee or any number of employees occurring during both the currency of this section and that of the superseded policy, the maximum amount payable shall not exceed the amount insured by this section at the time of discovery of the defined events;
- e) this extension will not apply to defined events which occurred more than the number of years stated in the Schedule before inception of this section; and
- f) the Insurer is not liable for any loss which occurred more than 24 (twenty-four) months prior to discovery.

MEMORANDA

1. In the event of the discovery of any loss resulting from a defined event, the Insured may, notwithstanding anything to the contrary contained in General Condition 7, refrain from reporting the matter to the police but shall do so immediately should the Insurer require such action to be taken.
2. Non-disclosure by the person signing any proposal form or giving renewal or other instructions of their own fraud or dishonesty or that of others with whom they are in collusion shall not prejudice any claim under this section.
3. General Exceptions 4 and 8 and General Condition 23 do not apply to this section.
4. If the sum insured shall be increased at any time, such increased amount shall apply only to defined events committed after the date of such increase.

EXCESSES

1. Compulsory

The amount payable under the policy in respect of a defined event involving one person or any number of persons acting in collusion shall be reduced by the amount stated in the Schedule which amount shall be borne in full by the Insured and remain uninsured.

2. Computer losses

The amount payable under the policy in respect of a defined event involving one person or any number of persons acting in collusion shall be reduced by the amount stated in the Schedule which amount shall be borne in full by the Insured and remain uninsured.

3. Voluntary excess (if stated in the Schedule to be applicable)

In addition to the compulsory excess as stated in this section of the policy, the Insured shall be responsible for the voluntary excess as stated in the Schedule.

SUB-SECTION A: LOSS OR DAMAGE**DEFINED EVENTS****1. Loss or damage**

to any vehicle described in the Schedule and its accessories and spare parts whilst therein or thereon.

2. Additional costs**a) Within the Borders of the Republic of South Africa only:**

In addition to any defined event that occurs inside the Republic of South Africa, the Insurer will pay for:

i) Protection and removal (towing)

the cost of protection and removal to the nearest repairers if such vehicle is disabled by reasons of any loss or damage insured hereby;

ii) Storage and release fees

the reasonable cost of storage at the nearest yard, place of safety or repairers if such vehicle is disabled by reasons of any loss or damage insured hereby;

iii) Delivery after repair

the reasonable cost of delivery to the Insured, after repair of such loss or damage to the permanent address of the Insured, provided that such costs for the combination of 2(a) (i), (ii) and (iii) shall not exceed the amount stated in the Schedule under the heading towing, storage and release fees: within RSA.

b) Outside the Borders of the Republic of South Africa (if stated as included in the Schedule)

In addition to any defined event that occurs outside the Republic of South Africa, the Insurer will pay for:

i) Protection and removal (towing)

the cost of protection and removal to the nearest border of the Republic of South Africa or place of safety if such vehicle is disabled by reasons of any loss or damage insured hereby. The Insurer will also pay the reasonable cost of moving the insured vehicle from the Republic of South Africa's border to the nearest approved repairer within the Republic of South Africa;

ii) Storage and release fees

the reasonable cost of storage at the nearest yard, place of safety or repairers if such vehicle is disabled by reasons of any loss or damage insured hereby;

iii) Delivery after repair

the reasonable cost of delivery to the Insured, after repair of such loss or damage to the permanent address of the Insured, provided that:

a. such costs for the combination of 2(b) (i), (ii) and (iii) shall not exceed the amount stated in the Schedule under the heading towing, storage and release fees: outside RSA;

b. if the insured vehicle cannot be repatriated to the Republic of South Africa on the grounds that the vehicle is a write-off, the Insurer will deduct 15 (fifteen) percent from the settlement due to the Insured; and

c. the Insurer shall not be liable to pay for government-imposed duties, charges, bribes or stamps relating to the repatriation of the vehicle.

c) Temporary/emergency repairs

In addition, if the vehicle is disabled by reason of any damage insured hereby, the Insurer will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the previous consent of the Insurer to the extent of but not exceeding the amount stated in the Schedule, provided that a detailed estimate is first obtained and immediately forwarded to the Insurer.

3. Territorial limits

The territorial limits covered in respect of this section of the policy are as stated in the Schedule.

4. Limit of indemnity

The limit of indemnity for each type of vehicle is as stated in the Schedule and shall be the maximum amount payable by the Insurer in respect of such loss or damage, but shall not exceed the reasonable market value of the vehicle (or other basis of indemnity selected being "retail" value as indicated in the Schedule) and its accessories and spare parts at the time of such loss or damage. The reasonable market or retail value of the vehicle and its factory fitted accessories and spare parts at the time of such loss or damage shall be determined by the current Auto Dealers' Guide or Commercial Vehicle Guide published by Trans Union Auto Information (Pty) Ltd.

Where the particular make and model of the vehicle is not provided in the Guide, then the average value decided by three independent motor industry sources of our choice will be used as the market or retail value (as stated in the Schedule) of the vehicle. The value of the vehicle will be adjusted according to its kilometre reading and condition and accessories and spare parts specified in the Schedule.

Where the particular make and model of the insured vehicle(s) is not reflected in the TransUnion Auto Information Auto Dealers' Guide or Commercial Vehicle Dealers' Guide – for vehicles over 10 years old, then an average value given for the insured vehicle(s) by 3 (three) independent motor industry sources of the Insurer's choice will be used to determine the market value of the insured vehicle(s).

5. Repair, reinstate or replace:

- a) the Insurer may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the reasonable market value of such vehicle (or other basis of indemnity selected being "retail" value as indicated in the Schedule) and/or its accessories and/or spare parts at the time of such loss or damage. The amount of any loss or damage shall be limited to the reasonable cost of repair or replacement which may at the Insurer's discretion necessitate the use of second-hand parts or parts obtained from sources other than the agents and/or manufacturers.
- b) If the Insurer replaces or reinstates such vehicle, the Insurer shall have the option to take ownership of the vehicle.
- c) If the Insurer decides to either repair or replace, the Insurers will not be obliged to do so exactly, but only as circumstances reasonably allow. The Insurer may use any supplier or repairer of the Insurer's choice, if the Insurer repairs or replaces any loss or damage.

PROVISIONS

1. Excess

In respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion) under this sub-section, the Insured shall be responsible for the excesses stated in the Schedule (according to the type of vehicle) of any expenditure for which provision is made under this sub-section (including any payment in respect of costs, expenses and fees), or any less expenditure which is actually incurred, and of any expenditure by the Insurer in the exercise of any discretion it may have under this insurance.

If the expenditure incurred by the Insurer shall include any excess for which the Insured is responsible, such amount shall be paid by the Insured to the Insurer forthwith.

Excess descriptions

The excess, as referred to under the following excess descriptions apply to all motor claims in respect of the specific cause of loss:

- a) Basic (Applicable to all sub-section A: own damage claims)

The following additional excess(es) apply to all sub-section A: own damage claims, (where applicable for a specific type of vehicle and stated accordingly in the Schedule:

- i) Accidents between 22h00 and 04h00

The additional excess payable in the event of a claim whilst the vehicle is being driven by any person between the hours of 22h00 and 04h00.

- ii) Driver under 25 (twenty-five) or over 75 (seventy-five) years of age

The additional excess payable in the event of a claim whilst the vehicle is being driven by any person under the age of 25 (twenty-five) years and over 75 (seventy-five) years of age.

- iii) License less than 2 (two) years

The additional excess payable in the event of a claim whilst the vehicle is being driven by any person licensed for less than 2 (two) years.

- iv) Single vehicle accidents/No third-party details supplied

For the purpose of this excess:

- a. Single vehicle accident

shall mean where the insured vehicle(s) is in involved in an accident and there is no other vehicle(s) involved in the collision of the vehicle(s) and/or no other vehicle(s) causing the collision with the insured vehicle(s). The excess stated in the schedule shall not apply to any incidents giving rise to a valid claim in terms of the policy caused by fire, self-ignition, lightning or explosion or by theft or any attempt thereof.

- b. No Third-Party Details Supplied

shall mean where the insured vehicle(s) is in involved in an accident and a third party is the cause of the collision of the insured vehicle(s), whether a collision of the said vehicle(s) took place or not, and the insured is unable to supply the insurer with the third party details.

- b) Theft or hijack (or any attempt thereof)

- i) Theft or hijack (or any attempt thereof) of the insured vehicle

The excess payable in respect of theft or hijacking (or any attempt thereof) of the insured vehicles and applies independently and is not additional to any other excesses stated.

Where the vehicle is stolen or hijacked and later recovered prior to the settlement of a valid claim in terms of the policy and is damaged, the amounts mentioned for the basic excess (where applicable) will be payable with regards to damage to the insured vehicle.

Should the vehicle be recovered after the settlement of a claim, the Insured will be repaid the theft or hijack excess (as applied).

- ii) Theft of any parts or accessories or extras permanently fitted to the vehicle

The excess payable in respect theft of any parts or accessories or extras permanently fitted to the vehicle including damage caused to the vehicle in an attempt to remove such parts or accessories or extras. The excess stated in the Schedule under Theft or hijack (or any attempt thereof) is applicable per vehicle involved in the same event or occurrence giving rise to a claim and is not additional to any other excesses stated.

2. Audio, video, communication and navigation equipment

The Insurer will indemnify the Insured in respect of:

loss of or damage to audio, visual, communication and navigation equipment and any other equipment of a similar nature by any accident or misfortune forming a permanent part of the vehicle. The basis of indemnity shall be as follows:

- a) if factory fitted by the manufacturer of the vehicle when new:
 - i) the replacement value of the item(s) shall be deemed to be included in the vehicle sum insured; and
 - ii) the motor excesses as set out in the Schedule shall apply.
- b) not factory fitted by the manufacturer of the vehicle when new (after-market installation):
 - i) the replacement value of the item(s) up to the amount stated in the Schedule; and
 - ii) subject to the excess as stated in the Schedule applicable to this limitation; and
- c) if specified as a separate item(s) in the Schedule:
 - i) the replacement value of the item(s) up to the amount stated in the Schedule; and
 - ii) subject to the excess as stated next to such item(s) in the Schedule.

The Insurer will also indemnify the Insured in respect of any such equipment which has been removed from the vehicle, provided that:

- a) the equipment is designed to be removed or partly removed; and
- b) the equipment cannot function without the vehicle.

3. Accessories and/or extras

The Insurer will indemnify the Insured in respect of:

loss of or damage to accessories and/or extras by any accident or misfortune not otherwise excluded. The basis of indemnity shall be as follows:

- a) accessories and/or extras not specified in the Schedule will be included in the vehicle sum insured:
 - i) and shall be depreciated with the vehicle value as determined by defined event 4 (Limit of Indemnity) under this section;
 - ii) the motor excesses as set out in the Schedule shall apply.
- b) accessories and/or extras specified in the Schedule and shown separately:
 - i) shall be the replacement value of the item(s) or the sum insured, whichever is the lesser;
 - ii) shall be deemed to be in addition to the vehicle sum insured; and
 - iii) the basic motor excess set out in the Schedule shall apply;

provided that:

- a) if the replacement value of the accessory at the time of the loss or damage is of greater value than the Insured amount thereof, the Insured shall be considered his own insurer for the difference and shall bear a rateable share of the amount of the loss or damage. Each accessory listed in the Schedule shall be separately subject to this condition;
- b) where the accessory consists of articles of a pair or set, the Insurer shall be liable for the value of the entire pair or set only if replacement of the individual item in the pair or set is not possible; and
- c) where the accessory includes vehicle tyres, the Insurer will reduce any settlement to the Insured in relation to the tyres, in proportion to the tyre tread used.

4. Suspensive sale

If, to the knowledge of the Insurer, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Insurer in respect of such loss or damage.

EXCEPTIONS TO SUB-SECTION A

The Insurer shall not be liable to pay for:

1. consequential loss as a result of any other cause whatsoever;
2. depreciation in value whether arising from repairs following a defined event or otherwise;
3. wear and tear;
4. mechanical, electronic or electrical breakdowns, failures or breakages;
5. damage to:
 - a) tyres by application of brakes or, by road punctures, cuts or bursts; and
 - b) springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;unless damage to tyres is accompanied by damage to other related parts of the vehicle;
6. damage to the vehicle resulting directly from the vehicle not being roadworthy as set out in the National Road Traffic Act, 1996 (as amended) or any replacement statute, or of any provincial or local proclamation or statute which is applicable to the insured vehicle.

1. Accumulation

This section of the motor policy covers the static fire, self-ignition, lightning or thunderbolt and explosion risk within the perimeters of any premises owned, occupied or used by the Insured for the vehicles specified in the policy Schedule.

The amount payable under this section for any one event or series of events with one original cause or source or during any one (annual) period of insurance shall not exceed in the aggregate the limit of indemnity for this extension as stated in the Schedule.

2. Air freight of replacement parts

This insurance covers the cost of air freighting and express delivery for replacement of parts and accessories upon damage to the vehicle as a result of a defined event, provided that such costs do not exceed 50 (fifty) percent of the amount that the repair or replacement costs would have been had such additional cost not been incurred and that the liability of the insurer shall not exceed the limit of indemnity for any one vehicle stated in the Schedule.

3. Automatic additions

The Insurer shall be liable for any additional vehicle purchased, leased or hired that does not appear on the Schedule for up to the lesser of:

- a) the amount as stated in Schedule; or
- b) the vehicle's retail value; or
- c) the vehicle's purchase price;

provided that the Insured:

- a) notifies the Insurer within 14 (fourteen) days of the date of the purchase, lease, hire or sale; and
- b) pays any additional premium requested by the Insurer.

4. Baggage/Luggage (if stated as included in the Schedule)

The Insurer will indemnify the Insured for loss of or damage to passenger or own luggage in transit provided that:

- a) the bus and its trailer are Comprehensively insured under this policy;
- b) the luggage shall be the replacement value of the item(s) lost or damaged;
- c) the Insurer's liability per event shall not exceed the amount stated in the Schedule;
- d) the Insured shall be responsible for the excess stated in the Schedule, in respect of any one claim;
- e) this extension does not cover:
 - i) theft from any unattended Vehicle unless the property is contained in a completely closed and secured compartment of the vehicle or locked trailer;
 - ii) vermin, insects, damp, mildew or rust;
 - iii) dishonesty of the employee of the Insured whether acting alone or in collusion with others;
 - iv) mechanical, electrical breakdown, failure, breakage or derangement unless caused by an Incident;
 - v) loss of cash, bank and currency notes;
 - vi) loss of electronic equipment, cellphones and other mobile devices;
 - vii) loss of firearms.

5. Contents of Caravans (if stated as included in the Schedule)

The Insurer will indemnify the Insured for loss of or damage to the contents of a caravan, while the contents are kept in the caravan or its side tent, provided that:

- a) the caravan is Comprehensively insured under this policy;
- b) the contents shall be the replacement value of the item(s);
- c) the Insurer's liability shall not exceed the amount stated in the Schedule, in respect of any one event;
- d) the Insured shall be responsible for the excess stated in the Schedule, in respect of any one claim; and
- e) this extension does not cover:
 - i) fixtures and fittings of the caravan; and
 - ii) damage to glass, glassware or other breakable articles, due to cracking, scratching or breakage, unless such damage is caused by the caravan being involved in an accident.

6. Contents of trailers (if stated as included in the Schedule)

The Insurer will indemnify the Insured for loss of or damage to the contents of a private type trailer, while the contents are kept in the trailer or its tent, provided that:

- a) the trailer is Comprehensively insured under this policy;
- b) the contents shall be the replacement value of the item(s);
- c) the Insurer's liability shall not exceed the amount stated in the Schedule, in respect of any one event;
- d) the Insured shall be responsible for the excess stated in the Schedule, in respect of any one claim; and

- e) this extension does not cover:
 - i) contents of trailers other than the contents of luggage trailers, camping trailers and general-purpose trailers with a gross vehicles mass (G.V.M.) not exceeding 3,500 (three thousand five hundred) kilograms; or
 - ii) fixtures and fittings of the trailer; or
 - iii) loss of or damage to tools or goods and samples relating to a business, trade or occupation; or
 - iv) damage to glass, glassware or other breakable articles, due to cracking, scratching or breakage, unless such damage is caused by the trailer being involved in an accident.

7. Credit shortfall (if stated as included in the Schedule)

If any total loss settlement under sub-section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the Insurer will pay to the Insured an additional amount equal to the shortfall less:

- a) any arrears instalments or rentals including interest payable on such arrears;
- b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle;
- c) the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled; and
- d) the excess under sub-section A;

provided always that:

- a) the amount payable shall not exceed the maximum indemnity less the excess under sub-section A. This endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% (ten percent) from any other instalment; and
- b) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease, the insurance by this extension shall be void.

8. Loss of fuel

The cover provided under sub-section A is extended to include loss of fuel from the fuel tank of the vehicle as a result of:

- a) a collision involving the vehicle; or
- b) theft/hijacking of the vehicle or any attempt thereat accompanied by violence or threat of violence;

provided that:

- a) the policy provides comprehensive cover in respect of the insured vehicle(s);
- b) on the happening of any event which may result in a claim under this extension, the Insured shall provide proof of the quantity of fuel contained in the vehicle's fuel tank at the time of the loss;
- c) the liability of the Insurer under this extension shall not exceed the amount stated in the Schedule, in respect of any one occurrence, for each of the motor vehicle definitions as described in the policy wording;
- d) the Insured shall be responsible for the excess applicable to this extension as stated in the Schedule.

9. Fire extinguishing charges

The Insurer will indemnify the Insured in respect of any costs not exceeding the amount stated in the Schedule relating to the extinguishing or fighting of fire. The costs shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the Insurer may be liable in terms of this section, provided the Insured is legally liable for such costs and the insured property was in danger from the fire.

10. Locks, keys, tags and remote access devices

The Insurer will indemnify the Insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle, access cards/tags following upon the disappearance of any key or alarm controller of such vehicle or access cards/tags or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller or access card/tag, provided that:

- a) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event; and
- b) the Insured shall be responsible for the excess stated in the Schedule in respect of any one event.

11. Loss of use (if stated as included in the Schedule)

- a) Insured event

The Insurer will pay the daily rate, as stated in the Schedule, for the period the Insured is unable to use the insured vehicle(s) as stated in the policy Schedule, provided always that:

- i) loss or damage is the subject of a valid claim under sub-section A and the Insurer is liable to indemnify the Insured;
- ii) compensation under this section will start after the time excess stated in the Schedule following the date of authorisation of repairs by the Insurer and will continue until the date that the Insured is notified that the vehicle is ready to be collected from the repairer. If the vehicle is written off, compensation will continue until the date that the initial agreement of loss is tendered to the Insured or the maximum period has passed, as stated in the Schedule, whichever is the lesser;
- iii) the Insurer will pay compensation for a maximum of the days stated in the Schedule, unless the vehicle is declared to be a total loss, provided that the Insurer's liability in respect of this section for a single event does not exceed the amount stated in the Schedule;
- iv) should the insured vehicle be declared a total loss, cover will cease on the day that the initial agreement of loss is tendered by the insurer of this section of the policy, provided that the maximum period of compensation for vehicles which are declared to be a total loss is 30 (thirty) days; and

- v) if the vehicle is stolen or hijacked, compensation will commence from the time the Insurer is first notified of the theft or hijack of the insured vehicle. Compensation will cease on the day that the insurer of this section of the policy tenders the initial agreement of loss to the Insured or the maximum period, as stated in the Schedule, whichever is the lesser, or the date on which the vehicle is recovered.

b) Special exception

The Insurer shall not be liable to pay for loss or damage resulting from mechanical, electrical or electronic breakdown of the insured vehicle.

12. Replacement of golf carts

It is hereby declared and agreed that all golf carts insured under this section of this policy are covered for full replacement value as stated in the Schedule, provided that the maximum amount payable by the Insurer will be the current replacement cost of a new golf cart of the same or a similar model or the limit of indemnity stated in the Schedule, whichever is the lesser.

13. Replacement of new vehicle (private type motor vehicles and light delivery vehicles only)

If within 12 (twelve) months of first registration, the vehicle (as defined under definition 2 (a)) has travelled less than the distance stated in the schedule and is:

- a) stolen or hijacked and not recovered and physically returned to the Insurer; or
- b) damaged and the assessed cost of repairs exceed 70 (seventy) percent of the current new retail price including value added tax (VAT);
- the maximum amount payable by the Insurer will be the current purchase price of a new vehicle of the same or a similar model or the limit of indemnity stated in the Schedule, whichever is the lesser.

If a private type motor car is replaced as set out above, the Insurer shall become entitled to possession and ownership of the stolen, hijacked or damaged vehicle.

14. Replacement of undamaged rims, tyres, springs or shock absorbers

It is hereby declared and agreed that where the Insurer is liable to indemnify the Insured in respect of damaged or stolen rims, tyres, springs or shock absorbers, the Insurer will in addition indemnify the Insured for the replacement of the remaining rims, tyres, springs or shock absorbers, provided that:

- a) this extension will apply only if such additional replacement is required by the vehicle manufacturer or where the vehicle manufacturer confirms in writing that non-replacement will adversely influence the vehicle warranty;
- b) the Insurer shall be entitled to possession and ownership of the rims, tyres, springs or shock absorbers which were undamaged or not stolen;
- c) fair wear and tear will be deducted for the tread already used on the remaining tyres or the wear and tear on springs or shock absorbers; and
- d) where the excess is stated as a percentage of the claim such excess will be calculated on the total amount of the claim including the cost of the replacement of the rims, tyres, springs or shock absorbers which were undamaged or not stolen.

15. Riot and strike: Excluding loss or damage occurring in the Republic of South Africa and Namibia (if stated as included in the Schedule)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

16. Special alterations

In addition to any amount payable, the Insurer will contribute towards the purchase of a wheelchair and/or alterations to the Insured's private motor vehicle to facilitate the use of such a wheelchair should the partner or director or employee of the Insured become permanently and totally disabled as a direct result of a motor accident, and as a result of the disability, such partner or director or employee of the Insured becomes permanently dependent on a wheelchair for mobility, provided that the maximum amount payable by the Insurer shall be the amount stated in the Schedule, in respect of any one event.

17. Tracking requirements (if stated in the Schedule to be a requirement)

Subject to this clause being applicable as stated in the Schedule, the Insurer shall not be liable under sub-section A of this section to pay for loss of or damage to the insured vehicle or any part thereof as a result of theft, hijacking or any attempt thereat (irrespective of the manner in which the theft/hijacking took place) unless:

- a) the Insured can prove that prior to the happening of such theft or hijacking (or attempt thereat) the vehicle was fitted with an approved tracking and recovery system;
- b) the Insured can prove that the system was fully operational at the time of any theft or hijacking or any attempt thereat;
- c) the Insured can prove that a legal contract existed between the Insured and the supplier of the vehicle tracking and recovery system and any monthly subscription fees have been paid in full at the time of any theft or hijacking or any attempt thereat;
- d) the vehicle tracking system is monitored, on a 24 (twenty-four) hour basis, by a manned control room operated by employees of the supplier of the vehicle tracking and recovery system; and
- e) the contract which exists between the Insured and the supplier of the vehicle tracking and recovery system requires the suppliers, in the event of the tracking system being activated, immediately to notify the Insured of the activation and proceed with steps to recover the vehicle.

18. Vehicle canopies

The insurance under sub-section A includes damage to any canopy insured as an accessory to any insured commercial vehicle with a gross vehicle mass not exceeding 3,500 (three thousand five hundred) kilograms, whilst temporarily removed and stored inside a building on any premises provided that in respect of damage as a result of theft or any attempt thereat, the Insurer shall only be liable where such theft or attempt thereat is accompanied by forcible and violent entry into or exit from the building where the canopy is stored.

19. Vehicle glass (if stated as included in the Schedule)

The provisions of this section relating to excess shall not apply to any payment for damage to window and sunroof glass and headlamp, fog light and taillight units including any safety or protection film applied thereto forming part of any vehicle, provided that:

- a) no other damage has been caused to the vehicle giving rise to a claim under the policy; and
- b) the Insured shall be responsible for the excess stated in the Schedule of each and every loss.

SUB-SECTION B: LIABILITY TO THIRD PARTIES

DEFINED EVENTS

Any accident caused by or through or in connection with any vehicle described in the Schedule or in connection with the loading and/or unloading of such vehicle in respect of which the Insured and/or any passenger becomes legally liable to pay all sums including claimants' costs and expenses in respect of:

1. death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the Insured arising from and in the course of such employment or being a member of the same household as the Insured; or
2. damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from such vehicle.

LIMITS OF INDEMNITY

The Insurer will also, in terms of and subject to the limitations of and for the purposes of this sub-section,

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this sub-section, or for defending in any court of law any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this sub-section, provided that the total of the Insurer's liability under sub-section B shall not exceed the limit of indemnity stated to apply to sub-section B;
2. indemnify any person who is driving or using such vehicle on the Insured's order or with the Insured's permission, provided that:
 - a) such person shall, as though they were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply;
 - b) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any Insurer;
 - c) indemnity shall not apply in respect of claims made by any member of the same household as such person; and
 - d) such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder;
3. indemnify the Insured while personally driving or using any private type motor car or commercial vehicle with a gross vehicle mass not exceeding 3,500 (three thousand five hundred) kilograms not belonging to them and not leased or hired to them under a lease or suspensive sale agreement, provided the Insured is an individual and has insured hereunder a vehicle described in sub-section (a) or (b) of the definition of "Vehicle" under Definitions below and, provided that the Insurer shall not be liable for damage to the vehicle being driven or used; and
4. indemnify the Insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided that the Insurer shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

APPLICATION OF INDEMNITY LIMITS

Where a combination of vehicles is involved in any one occurrence which results in a claim under this sub-section, the limit of indemnity shall not exceed the sum insured applicable to the self-propelled vehicle only regardless of the sum insured in respect of each insured trailer or other vehicle forming part of a combination of vehicles. Consequently, the sum insured that applies to any insured trailer or any other vehicle which forms part of the combination of vehicles at the time of the occurrence does not accumulate with the limit of indemnity stated to apply to the insured self-propelled vehicle.

EXCEPTIONS TO SUB-SECTION B

The Insurer shall not be liable under this sub-section in respect of:

1. any compensation or claim which falls within the scope of any compulsory motor vehicle insurance enactment. This exception shall apply notwithstanding that no other insurance under such enactment is in force or has been effected and regardless of whether the applicable legislative fund is unable to or incapable of providing compensation;
2. death of or injury to any person being carried in or upon or entering or getting into or onto or alighting from a vehicle described under vehicle definition (b), (c), (d) or (e) of the definition of "Vehicle" below at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting into or onto or alighting from a permanently enclosed passenger carrying compartment of a commercial vehicle with a carrying capacity not exceeding 3,500 (three thousand five hundred) kilograms;
3. liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks;
4. any liability for:
 - a) personal injury or bodily injury or financial loss or loss of, damage to, or loss of use of property directly or indirectly arising out of the discharge dispersal release or escape of pollutants which is or was conveyed by or carried in or on a vehicle insured under this section of the policy;
 - b) the costs and expenses incurred for removing nullifying or cleaning up pollutants and/or remedial procedures to remove or repair the effects of spillage or leakage (irrespective whether such spillage or leakage is the result of a motor accident or not) of any substance carried in or on or by the insured vehicle; or
 - c) fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of pollutants;

5. liability arising out of the carriage of Dangerous Goods in terms of chapter 8 of the National Road Traffic Act, 1996 and the National Road Traffic Regulations, 2000, unless stated in the Schedule; or
6. any compulsory liability insurance cover or indemnity purchased by the Insured when entering a country as stipulated in the territorial limits outside the borders of the Republic of South Africa.

EXCESS APPLICABLE TO SUB-SECTION B

It is hereby declared and agreed that if the Insured is responsible for an excess stated in the Schedule for the specific insured vehicle, the Insured is required to pay such excess to the Insurer immediately upon the request for each and every loss under this sub-section.

CLAUSES AND EXTENSIONS (APPLICABLE TO SUB-SECTION B ONLY)

1. Clean-up costs: leakage from vehicle (if stated as included in the Schedule)

Notwithstanding anything to the contrary contained in this section, the indemnity under sub-section B extends to indemnify the reasonable costs and expenses the Insured is legally liable to pay to deactivate, remove, neutralize or nullify the effects of:

- a) fuel leakage from the insured vehicle's own fuel tank (which is used to propel the vehicle);
- b) oil leakage from the insured vehicle;
- c) hydraulic fluid leakage from the insured vehicle;

arising as a direct consequence of damage to the insured vehicle, as covered by this section, provided that the Insurer shall not be liable for:

- a) the clearing up and removal of any load of liquid substances and/or contaminants in transit by the insured vehicle; and
- b) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event; and
- c) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

In addition to the above the Insurer will contribute a maximum combined amount of R5,000 (five thousand Rand) in the event of such claim towards replacement of the fuel, oil and/or hydraulic fluid leaked in the incident.

2. Contingent liability (if stated as included in the Schedule)

The indemnity under sub-section B includes claims made against:

- a) the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the Insured, while being used by any partner or director or employee of the Insured (hereinafter in this extension referred to as "such person"); and
- b) any such person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to them or to the Insured or leased or hired by either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any Insurer, provided that:
 - i) clause (b) of the exceptions to sub-section B is deleted;
 - ii) the Insurer shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above;
 - iii) the payment by the Insured of subsidies or travelling allowances to such person for the use of their own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension;
 - iv) if, at the time of the occurrence of any accident giving rise to a claim under this extension, the Insured or such person is entitled to indemnity under any other policy in respect of the same occurrence, the Insurer shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy; and
 - v) the terms, exceptions and conditions of the policy shall otherwise apply.

3. Fire and explosion (if stated as included in the Schedule)

The indemnity under sub-section B includes claims made against the Insured in respect of any occurrence directly due to or in consequence of fire or explosion.

The amount payable under this section for any one event or series of events with one original cause or source or during any one (annual) period of insurance shall not exceed in the aggregate limit of indemnity for this extension as stated in the Schedule.

4. Liability arising out of the carriage of dangerous goods (if stated as included in the Schedule)

Notwithstanding anything to the contrary contained in this section, the indemnity under sub-section B extends to indemnify the Insured for:

- a) liability in respect of injury, financial loss, or loss of, damage to, or loss of use of property, arising out of the discharge of Dangerous Goods;
- b) the reasonable costs and expenses the Insured is legally liable to pay to deactivate, remove, neutralize or nullify the discharged Dangerous Goods;

Provided that:

- a) the discharge of Dangerous Goods occurs as a direct consequence of damage to the insured vehicle (as covered by this section) transporting the Dangerous Goods; and
- b) the damage to the insured vehicle (as covered by this section) transporting the goods is caused by a sudden, identifiable and unexpected happening which takes place in its entirety at a specific time and place; and
- c) the liability is not indemnified in more than one annual period of insurance; and
- d) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event; and
- e) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

5. Non-contribution

Notwithstanding general condition 2 and paragraph 2 (iii) of sub-section B defined events, the insurer agrees that in the event of any person who is driving or using any vehicle described in the Schedule on the Insured's order or with the Insured's permission being entitled to indemnity in terms of sub-section B and insurance is issued in their own name, such insurance will not be called into contribution unless the Insured so requests.

6. Parking facilities and movement of third party vehicles (if stated as included in the Schedule)

This section extends to indemnify the Insured in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or borrowed by or hired or leased to the Insured) by any person in the employ of the Insured or acting on the Insured's behalf, provided always that such vehicle was being moved:

- a) with the authority of any tenant, customer or visitor of the Insured; or
- b) in connection with the Insured's parking arrangements; or
- c) to facilitate the carrying out of the Insured's business,
and provided further that:
 - i) this extension shall not apply in respect of damage to vehicles which are parked for reward; and
 - ii) the limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

For the purpose of this extension, such vehicle (and its contents) shall not be deemed to be held in trust by, or in the custody or control of, the Insured.

7. Passenger liability (if stated as included in the Schedule)

Exception (b) to sub-section B shall not apply to vehicles described under (b), other than special types, or in definitions (c), (d) or (e) of the definition of "Vehicle" below, provided that cover is limited to any person while being carried in or entering into or alighting from the driver's cabin of such insured vehicle at the time of the happening of the occurrence out of which any claim arises. The limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

8. Passenger liability: fare paying passengers (if stated as included in the Schedule)

- a) Defined events
 - i) In the event of an accident occurring during the period of insurance wrongfully caused by the driving of a vehicle against the Insured's legal liability to pay damages and claimants' costs in connection therewith in respect of:
 - a. injury suffered by a passenger to the extent that legislation enacted for the purposes of providing compensation for loss or damage wrongfully caused by the driving of a motor vehicle to a passenger is not in force or has not been effected or that compensation is not paid for any reason whatsoever; or
 - b. secondary emotional shock by a person other than an injured party on the witnessing or observing or being informed of the injury of another passenger; and
 - ii) For the purpose of determining the indemnity granted:
 - a. Injury
is as contemplated by the Road Accident Fund Act, 2006 (including any amendments thereto);
 - b. Vehicle
means any motor vehicle owned, hired, leased or used by the Insured; and
 - c. Passenger
means any person carried in or upon or entering or getting onto or into or alighting from the vehicle but excludes injury to any person in the employ of the Insured arising from and in the course of such employment or being a member of the same household as the Insured.
- b) Indemnity to others
The indemnity granted shall extend at the Insured's option and subject to the Insurer's consent which consent shall not be unreasonably withheld to any person who is driving or using a vehicle on the Insured's order or with the Insured's permission, provided that:
 - i) such person shall, as though they were the Insured, observe, fulfill and be subject to the terms, exceptions and conditions of this policy in so far as they can apply;
 - ii) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any Insurer;
 - iii) indemnity shall not apply in respect of claims made by any member of the same household as such person; and
 - iv) such person is not entitled to indemnity under any other policy.
- c) Definitions
 - i) Costs and expenses
shall mean those costs and expenses incurred with the prior consent of the Insurer (which consent shall not be unreasonably withheld):
 - a. in the defence or settlement of any claim under this policy;
 - b. in the representation at any inquest, accident inquiry in respect of injury which may form the subject of indemnity by this policy and/or defending any proceedings in a court of summary jurisdiction in respect of matters which may form the subject of indemnity by this policy; and

c. by the Insured for such emergency medical treatment as may appear necessary in respect of injury which may form the subject of indemnity by this policy.

ii) North America

Shall mean the United States of America (being the fifty states of the Union plus the District of Columbia), Canada and any territory operating under the laws of or subject to the jurisdiction of courts of the afore-mentioned territories.

iii) Limits of indemnity

The Insurer's total liability to pay damages and claimants' costs in connection therewith and costs and expenses shall not exceed the limit of indemnity stated in the Schedule, in respect of any one accident or series of accidents arising from one cause in connection with any one vehicle.

iv) Exclusions

This Policy does not cover liability:

a. for any compensation for injury which:

i. is the subject of legislation enacted for the purpose of providing compensation for loss or damage wrongfully caused by the driving of a motor vehicle, or

b. is the subject of legislation controlling the use of motor vehicles or trailers and in respect of which liability:

i. the Insured is compelled to effect insurance or otherwise furnish security, or

ii. the State or other governmental authority has accepted responsibility, or

iii. is suffered by any person not carried in or upon or entering, getting onto or into or alighting from the vehicle;

c. for any claim arising out of any judgment, award or settlement made within North America or any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part;

d. arising out of any circumstances compulsorily insurable by legislation governing the use of any vehicle;

e. for claims if the number of persons carried exceeds the vehicles licensed carrying capacity; or

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

9. Principals

Notwithstanding Specific Exception 2 of this section, the indemnity under sub-section B extends to indemnify, to the extent required by the conditions of any contract of the Building Industries Federation of South Africa, and in connection with any liability arising from the performance of such contract, any principal named in such contract entered into by the Insured for the purposes of the business, provided that the liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule.

10. Spillage clean-up costs (if stated as included in the Schedule)

Notwithstanding anything to the contrary contained in this section, the indemnity under sub-section B extends to indemnify the reasonable costs and expenses the Insured is legally liable to pay to deactivate, remove, neutralize or nullify the effects of spillage and leakage of any substance transported by the insured vehicle (not forming part of the Clean-up costs: Leakage from vehicle extension), provided that:

a) this extension shall not be applicable in the event that cover for the same event whether incorporated in this policy or any other policy is in force at the time of liability giving rise to a claim under this extension;

b) this extension does not provide cover for any liability or costs and expenses associated with the discharge of Dangerous Goods;

c) this extension does not provide cover for any damage to the environment in respect of which the Insured may be held legally liable in terms of the National Environmental Management Act 107 of 1998 (N.E.M.A), as amended from time to time or any other similar legislation;

d) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event;

e) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

11. Spillage clean-up costs: Riot and strike (if stated as included in the Schedule)

Notwithstanding anything to the contrary contained in this section, the indemnity under sub-section B extends to indemnify the reasonable costs and expenses the Insured is legally liable to pay to deactivate, remove, neutralize or nullify the effects of spillage of any substance transported by the insured vehicle directly related to or caused by:

a) any Riot, Strike or any act or activity which is calculated or directed to bring about a Riot, Strike or Civil Commotion;

b) any attempt to perform any act referred to in a) above;

c) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in a) or b) above;

provided that:

a) this extension does not cover:

i) claims occurring outside of South Africa.

ii) Public Disorder.

b) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event; and

c) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

For the purpose of this extension the following terms shall be defined as:

a) Civil Commotion

shall mean an outbreak of lawlessness of a fairly considerable scale amongst the citizens of a state which is something between a Riot and total insurrection and is deemed to include labour disturbances or Lockouts.

b) Lockouts

shall mean a situation when an employer refuses to allow workers into their place of work until they agree to various conditions.

c) Public Disorder

shall mean an outbreak of lawlessness of a fairly considerable scale amongst the citizens of a state, and is something of a greater degree than riot and of a lesser degree than anarchy.

d) Public Unrest

shall mean a gathering of three or more people, in reaction to an event, with the intention of causing a public disturbance in violation of the law.

e) Ransom

shall mean a sum of money demanded or paid for the release of someone or something from captivity.

f) Riot

shall mean a violent disturbance of the peace involving three or more people which includes protests in furtherance of a political aim, objective or cause.

g) Strike

shall mean a period of time when an organized group of employees of a company stops working because of a disagreement over pay or working conditions.

12. Tool of trade liability (if stated as included in the Schedule)

It is hereby declared and agreed that exception (c) to sub-section B is cancelled and replaced by the following:

This section extends to indemnify the insured for sums for which the Insured shall become legally liable to pay following upon the use of any tool of trade or any accessory attached to any vehicle for the purpose of loading or unloading such vehicle or plant forming part of such vehicle, provided that the Insurer shall not be liable in respect of any liability as may be insured or insurable in terms of any motor vehicle policy or compulsory third party insurance legislation notwithstanding that no such insurance is in force or has been effected, nor shall the Insurer be liable where any other form of motor insurance has been effected by the Insured covering the same liability;

and further provided that:

- a) such tool of trade is not in itself a powered road vehicle;
- b) such tool of trade is operated or utilised by an employee of the Insured only;
- c) the Insurer's liability inclusive of legal defence costs arising from any one occurrence or series of occurrences attributable to any event shall not exceed the limit of indemnity stated in the Schedule, provided by this insurance; and
- d) the Insured shall be responsible for the excess stated in the Schedule.

13. Unauthorised passenger liability (if stated as included in the Schedule)

The indemnity under sub-section B, notwithstanding exception (b) thereto, extends to cover the Insured's legal liability for death of or bodily injury to persons while being carried in or upon or entering or getting into or onto or alighting from any vehicle in contravention of the Insured's instructions to their driver not to carry passengers. The limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

SUB-SECTION C: INSURED VEHICLE OCCUPANTS

DEFINED EVENTS

The Insurer shall pay the additional costs set out in the following extensions, caused by or through or in connection with an event defined under this section of the policy, for any vehicle described in the Schedule.

1. Clothing and personal effects of drivers and co-drivers

The Insurer will pay up to the amount stated in the Schedule in respect of any open claim for loss or damage to drivers and co-drivers clothing and personal effects (excluding money and negotiable instruments) belonging to drivers and co-drivers in the permanent employ of the Insured, as a result of the following:

- a) the insured vehicle:
 - i) being involved in a collision;
 - ii) being damaged by fire, explosion and self-ignition;
 - iii) overturning; or
 - iv) being stolen or hijacked or attempted hijack; and
- b) theft accompanied by forcible and violent entry into or exit from the insured vehicle and/or storage compartments or any attempt thereof or as a result of theft (or any attempt thereof) following violence or threat of violence;

provided that:

- a) the policy provides comprehensive cover in respect of the insured vehicle(s) containing the personal effects;

- b) cover is only provided for the drivers and co-drivers for vehicles covered under the following motor sections only:
 - i) Motor: commercial > 3500 Kg;
 - ii) Motor: special types; and
 - iii) Motor: busses;
- c) such clothing and personal effects:
 - i) are contained in the insured vehicle at the time of the loss or damage; and
 - ii) are not otherwise insured;
- d) cover is provided only in respect of:

clothing, spectacles, contact lenses, hearing aids, pens, pencils, cosmetics and their cases, cigarette cases and lighters, jewels and jewellery, personal ornaments, watches, furs, articles of gold or silver and other articles similar to the aforementioned that are usually carried by or on a person, electric and other razors, umbrellas, handbags, cases, portable photographic equipment and other electronic devices, portable radios and portable tape decks or compact disc players, binoculars, firearms, sports equipment as well as trunks, suitcases and other containers in which the property is kept whilst travelling, toiletries, cooking equipment and utensils, electronic tablets, laptops and cellular telephones; and
- e) the driver can prove ownership in respect of such:

portable photographic equipment and other electronic devices, portable radios and portable tape decks or compact disc players, binoculars, firearms, electronic tablets, laptops and cellular telephones.
- f) the Insurer's liability per person shall not exceed the amount stated in the Schedule; and
- g) the Insurer's liability per event shall not exceed the amount stated in the Schedule.

2. Death benefit for drivers and co-drivers

If a claim is admitted under sub-section A, where such loss or damage results in the death of the driver and/or co-driver of any vehicle described in the Schedule and as defined under Definition of Vehicle A, B and D, the Insurer will pay a benefit limited to the amount stated in the Schedule in respect of any one claim or series of claims from one event, directly to the driver's and/or co-driver's estate, provided that:

- a) the Insurer's liability per person shall not exceed the amount stated in the Schedule; and
- b) the Insurer's liability per event shall not exceed the amount stated in the Schedule.

3. Medical expenses

If an occupant of an insured vehicle, in direct connection with the vehicle, sustains bodily injury by violent, accidental, external and visible means, the Insurer will pay to the Insured the medical expenses incurred as a result of the injury, including any costs incurred to free the injured occupant from the vehicle or to bring the injured occupant to a place where medical treatment can be given, provided that:

- a) the cover is limited to occupants of a private motor car or the permanently enclosed passenger carrying compartment of any other vehicle; and
- b) the amount payable under this cover shall be reduced by any amount recoverable under the Compensation for Occupational Injuries and Diseases Act, 1993 or similar legislation.
- c) the Insurer's liability per person shall not exceed the amount stated in the Schedule;
- d) the Insurer's liability per event shall not exceed the amount stated in the Schedule.

4. Repatriation of driver and co-driver

If a claim is admitted under sub-section A and the insured vehicle is disabled as a result of the loss or damage, the Insurer will indemnify the Insured for:

- a) the reasonable expenses necessarily incurred for overnight accommodation for the driver and/or co-driver for a maximum of 2 (two) nights; and
- b) transport of the driver of the vehicle at the time of the loss or damage from the place at which the vehicle became disabled to the driver's normal place of residence in the Republic of South Africa, or intended destination, or point of departure on this journey;

provided that:

- a) the driver's destination, place of residence and point of departure on this journey are all more than 100 (one hundred) kilometres away from the place at which the vehicle became disabled; and
- b) the Insurer's liability per person shall not exceed the amount stated in the Schedule; and
- c) the Insurer's liability per event shall not exceed the amount stated in the Schedule.

5. Trauma

The Insurer will pay for expenses incurred, not otherwise covered, by any member, director or employee of the Insured undergoing treatment by a registered professional counsellor following the person being psychologically traumatised as a direct result of violence or threat of violence during theft, attempted theft or hijack of any insured vehicle, provided that:

- a) the Insurer's liability per person shall not exceed the amount stated in the Schedule; and
- b) the Insurer's liability per event shall not exceed the amount stated in the Schedule.

SUB-SECTION D: WRECKAGE REMOVAL AND RELATED EXPENSES

DEFINED EVENTS

The Insurer shall pay the additional costs set out in the following extensions, caused by or through or in connection with an event defined under this section of the policy, for any vehicle described in the Schedule.

CLAUSES AND EXTENSIONS

1. Recovery costs

The Insurer shall indemnify the Insured for all reasonable costs and charges incurred in any search and recovery operation following theft or hijack of an insured vehicle (including, but not limited to, helicopter search charges) irrespective of whether such operation proves successful, provided that the Insurer's liability under this extension shall not exceed the amount stated in the Schedule, in respect of any one occurrence.

2. Towing costs following mechanical, electrical or electronic breakdown (if stated as included in the Schedule)

(applicable to vehicle definitions (b), (d), (e))

The cover provided under the motor section is extended to indemnify the Insured for the reasonable costs and expenses incurred as a result of a vehicle insured in terms of the motor section of this policy being disabled as a result of mechanical, electrical or electronic breakdown. The Insurer will pay the reasonable cost of protection and removal of the vehicle, trailers and its load to the Insured's premises or the nearest authorised repairer (whichever is the closest to the break-down scene) within the Republic of South Africa only provided that:

- a) the insured vehicle is stated in the Schedule;
- b) the insured vehicle requiring towing is towed by an approved tow operator authorised by the Insurer in respect of each occurrence;
- c) the Insurer's liability under this extension shall not exceed the amount stated in the Schedule in respect of any one occurrence;
- d) the Insured can prove to the satisfaction of the Insurer that the insured vehicle was properly and regularly maintained as per the manufacturer's specifications, and was in a roadworthy condition at the time of the occurrence;
- e) occurrences beyond the borders of the Republic of South Africa are not covered by this extension; and
- f) the insured shall be responsible for the excess (applicable to this extension) as stated in the Schedule in respect of each and every loss.

The Insurer shall not be liable to pay for:

- a) any costs and expenses incurred by the Insured in respect of storage costs and release fees from a repairer or supplier of services rendered, either before or after repairs have been done to the insured vehicle; or
- b) any costs and expenses incurred to repair the insured vehicle, as mechanical, electrical or electronic breakdown is not covered under the motor section of this policy.

3. Wreckage removal

The cover provided under sub-section A of this section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a defined event, provided that:

- a) in addition to the limit of indemnity under sub-section A of this section, the Insurer's liability under this extension shall not exceed the amount state in the Schedule; and
- b) the Insurer shall not be liable for the clearing up and removal of any liquids, such as petrol or diesel or oil leakage from the insured vehicle.

SUB-SECTION E: EXCESS REDUCERS/WAIVERS

DEFINED EVENTS

The payment of the excess applicable to the insured vehicle(s) as stated in the Schedule as per the cover taken for the respective insured event subject to the terms, exceptions and conditions contained in the extensions below.

CLAUSES AND EXTENSIONS

1. Excess reducer: basic (if stated as included in the Schedule)

- a) Insured event

The payment of the basic excess in respect of own damage (excluding theft/hijack) to the insured vehicle(s) as stated in the Schedule excluding any damage to accessories that the Insured fitted to the vehicle(s) as defined.

- b) Excess reducer

The total excess, less the inner excess as stated in the Schedule. This benefit will indemnify the Insured in the event of the claim in terms of this section of the policy falling within the total excess, provided that:

- i) the policy provides comprehensive cover in respect of the insured vehicle(s);
- ii) this benefit will only become payable:
 - a. directly to the repairer once the claim has been settled by the Insurer; subject to the terms, exceptions and conditions of the policy; or
 - b. in the event of the amount of the assessed claim being less than the excess; and
 - c. on receipt of such proofs, information and sworn declarations as the Insurer may require;
- iii) cover is only provided for the basic excess as stated in the Schedule. All additional penalty excesses relating to age, licence, driving hours and single vehicle accidents do not form part of this extension;
- iv) the Insurer's liability for each insured vehicle will not exceed the limit of indemnity as stated in the Schedule or the actual excess payable on an indemnifiable claim, whichever is the lesser; and
- v) in respect of each and every occurrence giving rise to a claim, the Insured shall be responsible for the excess as stated in the Schedule of any expenditure for which provision is made under this sub-section (including any payment in respect of costs, expenses and fees), or any less expenditure which is actually incurred, and of any expenditure by the Insurer in the exercise of any discretion it may have under this insurance.

Should the expenditure incurred by the Insurer include any excess for which the Insured is responsible, such amount shall be paid by the Insured to the Insurer forthwith.

c) Special exception

The Insurer will not indemnify the Insured in respect of any claim not covered in terms of the motor section of the policy whether an ex gratia payment has been made by the Insurer or not.

2. Excess reducer: theft, hijack or any attempt thereof (if stated as included in the Schedule)

a) Insured event

The payment of the excess following the theft or hijack (or any attempt thereof) of the insured vehicle(s) as stated in the Schedule.

b) Excess reducer

The total excess, less the inner excess as stated in the Schedule, provided always that:

- i) the policy provides comprehensive cover in respect of the insured vehicle(s);
- ii) this benefit will only become payable:
 - a. directly to the repairer once the claim has been settled by the Insurer, subject to the terms, exceptions and conditions of the policy, or
 - b. in the event of the amount of the assessed claim being less than the excess, and
 - c. on receipt of such proofs, information and sworn declarations as the Insurer may require;
- iii) the Insurer's liability for each insured vehicle will not exceed the limit of indemnity as stated in the Schedule or the actual excess payable on an indemnifiable claim, whichever is the lesser; and
- iv) in respect of each and every occurrence giving rise to a claim, the Insured shall be responsible for the excess stated in the Schedule of any expenditure for which provision is made under this sub-section (including any payment in respect of costs, expenses and fees), or any less expenditure which is actually incurred, and of any expenditure by the Insurer in the exercise of any discretion it may have under this insurance.

Should the expenditure incurred by the Insurer include any excess for which the Insured is responsible, such amount shall be paid by the Insured to the Insurer forthwith.

c) Special exception

The Insurer will not indemnify the Insured in respect of any claim not covered in terms of the motor section of the policy whether an ex gratia payment has been made by the Insurer or not.

3. Excess reducer: third party liability (franchise basis) (if stated as included in the Schedule)

a) Insured event

The payment of the total excess in respect of third party damage caused by the insured vehicle(s) as defined in the Schedule excluding any damage to accessories that the Insured fitted to the vehicle(s) such as radios, tape players and tachographs, telephones or similar equipment after original purchase.

b) Third party liability excess

The total excess in respect of third party damage, provided always that:

- i) the policy provides comprehensive cover in respect of the insured vehicle(s);
- ii) this benefit will only become payable once the third party claim has been settled by the Insurer, subject to the terms, exceptions and conditions of the policy; and
- iii) the Insurer's liability for each insured vehicle will not exceed the limit of indemnity as stated on the Schedule.

c) Special condition

The Insured will be responsible for all claims under this extension where the amount of the claim falls within the excess stated in the Schedule. Should the amount of the claim exceed the amount stated in the Schedule, the Insurer will be responsible for the total claim amount, but limited to the indemnity limit under sub-section B: Liability to Third Parties as stated in the Schedule.

4. Excess waiver: basic (applicable only to private type motor cars and light delivery vehicles only) (if stated as included in the Schedule)

The Insured shall not be liable for the basic compulsory excess in the event of a claim. The specific vehicle where this is applied will reflect the basic excess as nil in the schedule.

5. Excess waiver: basic for individuals older than 55 years of age

If an individual (being the insured or the Insured's spouse) over the age of 55 (fifty-five) years is the registered owner of a private type motorcar or a light delivery vehicle with a carrying capacity not exceeding 2 000 kg (two thousand kilograms), and is the driver of the insured vehicle at the time of an occurrence which gives rise to a claim under this section, no excess will be applicable.

6. Excess waiver: Spare wheel and tools (if stated as included in the Schedule)

The Insured shall not be liable for the theft and hijack excess stated in the schedule in the event of a claim in respect of:

- a) a spare wheel of a private type motor car (including station wagons, safari motor cars and microbuses);
- b) tools included as standard equipment by the manufacturer of a private type motor car (including station wagons, safari motor cars and microbuses).

DEFINITIONS

1. Abandoned

shall mean deserted, discarded, forsaken, derelict, vacant, dumped and/or cast-off.

2. Accessories and spare parts (non-standard)

shall mean any part or accessory or extra (including signwriting and branded wrapping) not supplied by the manufacturer as a standard fitment and fitted as an aftermarket fitment (optional extras).

3. Airside

shall mean any area of the airport premises which has restricted right of access, such as runways, taxiways, apron and associated service roads plus certain parts of the terminals and other buildings located around the airport premises (as defined by the relevant airport authority).

4. Credit agreement

shall mean a legally enforceable credit agreement as defined in the National Credit Act, 2005 (as amended), which the Insured has entered into with a registered credit provider in respect of the insured vehicle which is listed in the Schedule.

5. Dangerous Goods

shall mean goods, substances, products or waste as specified in the standard specifications in the relevant SANS codes including but not limited to SANS 10228 ("The identification and classification of dangerous substances and goods") and carried on or within a vehicle that is properly licensed to carry such goods, products or waste excluding asbestos, lead, and creosote.

6. Finance company

shall mean the registered credit provider in terms of the credit agreement and whose interest is noted in the Schedule under the heading financial institution.

7. Hijack

shall mean the unlawful, intentional removal of the insured vehicle(s) without the Insured's permission with the use or threat of use of a firearm or any other dangerous weapon, the infliction of grievous bodily harm or a threat to inflict bodily harm by the offender or any accomplice on the occasion when the offence is committed, whether before, during or after the commission of the offence.

8. Injury

shall mean death, bodily injury, illness or disease of or to any person.

9. Insured vehicle

shall mean any vehicle:

- a) owned by the Insured;
- b) hired or leased to the Insured; or
- c) temporarily operated by the Insured as replacement for any vehicle in (a) and (b) above out of use for the purpose of overhaul, upkeep and/or repair, provided that:
 - i) the maximum liability of the Insurer shall not exceed the reasonable retail value of the replacement vehicle or the sum insured of the replaced vehicle as stated in the Schedule, whichever is the lesser; and
 - ii) the maximum period a rental or temporary vehicle shall be used shall not exceed 30 (thirty) consecutive days.

10. Own damage

shall mean loss of or damage to an insured vehicle excluding loss or damage due to theft, hijack, attempted theft or attempted hijack.

11. Occurrence or event

shall mean an occurrence or series of occurrences arising from one cause in connection with any one vehicle in respect of which indemnity is provided by this insurance.

12. Pollutants

shall mean any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapour, soot, fumes, acid, alkalis, chemicals and waste. Waste includes material to be recycled, reconditioned or reclaimed.

13. Retail value

shall mean:

- a) for vehicles listed in the auto dealers' guides, the published retail value adjusted according to the guide's recommendations for odometer reading, overall condition, accessories and parts fitted to the vehicle at the time of the loss or damage; and
- b) for vehicles, vehicle types and accessories not listed in the auto dealers' guides, the considered retail value based on a minimum of three quotations obtained from the motor dealer market for a similar vehicle of the same make and model in similar condition at the time of the loss or damage.

14. Statutory settlement balance

shall mean the amount which is due by the Insured at the date of loss and which represents the balance due to the finance Insurer which will liquidate the Insured's obligations to it and entitle the Insured to unencumbered ownership of the insured vehicle, less any arrear instalments, any amount refundable to the Insured in terms of the agreement, outstanding insurance premiums, warranties and any extras added to the finance contract which do not form part of the actual vehicle financed.

15. Taxi

shall mean a type of vehicle for hire with a driver that is used by a single or small group of passengers to convey them to destinations of their choice.

16. Theft

shall mean the unlawful, intentional removal of the insured vehicle(s) without the Insured's permission.

17. Total loss

shall mean where the Insurer declares the insured vehicle(s) as uneconomical to repair as a result of an accident or fire, or following a loss by theft or hijacking and the Insurer settles the loss as a total loss.

18. Vehicle

shall mean:

- a) private type motor cars (including sedans, cabriolets, sports utility vehicles, motorised motor homes, station wagons, 4x4 or 4x2, safari vans, estate cars and the like or similar vehicles designed to seat not more than 12 (twelve) persons including the driver) but excluding taxis;
- b) commercial vehicles as described in the Schedule, but excluding taxis, as follows:
 - i) light commercial vehicles which are vehicles with gross vehicle mass of up to 3,500 (three thousand five hundred) kilograms designed or adapted to carry goods;
 - ii) commercial vehicles which are vehicles with gross vehicle mass exceeding 3,500 (three thousand five hundred) kilograms designed or adapted to carry goods;
 - iii) special type vehicles which are vehicles manufactured or modified for specific commercial purposes such as digging, firefighting, lifting, loading, earth moving and the like and which are operated by skilled and trained operators; and
 - iv) agricultural equipment (any self-propelled agricultural vehicle which is not designed or adapted for the main purpose of transporting goods, including tractors and harvesters);
- c) motor cycles (including motor scooters and three-wheeled vehicles and quad bikes) and golf carts;
- d) busses (including any vehicle used for business purposes and designed or adapted to seat more than 12 (twelve) persons, including the driver) but excluding taxis; and
- e) trailers as follows:
 - i) any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto;
 - ii) agricultural equipment (any non-self-propelled agricultural implement) designed to be drawn by a self-propelled vehicle;

and includes any parts or accessories or extras permanently fitted thereto (including signwriting and branded wrapping) whether specified in the Schedule or not, provided that:

- a) the part or accessory or extra (including signwriting and branded wrapping) is on the vehicle at the time of the insured event; and
- b) the insured amount of the vehicle stated in the Schedule is adequate to include both the vehicle and the part or accessory or extra (including signwriting and branded wrapping).

19. Vehicle combination

shall mean any combination of single or multiple trailers attached or towed by any vehicle defined under vehicle definition 26 (a); (b) and (d).

20. Write-off

shall mean that damage to a vehicle, in the opinion of the Insurer, is not economical to repair.

MEMORANDA (APPLICABLE TO SUB-SECTION A, B, C, D AND E)

1. Adjustment of premium

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

2. Cross liabilities

Where more than one Insured is named in the Schedule, the Insurer will indemnify each Insured separately and not jointly, and any liability arising between such Insured shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule.

3. Description of use clause

- a) Private and business

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

- i) hiring;
- ii) carriage of passengers for hire or carriage of fare paying passengers;
- iii) racing, speed or other contests, rallies, trials;
- iv) carriage of explosives;

- v) carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry;
- vi) use other than that for which the vehicle was constructed or licenced to be used; and
- vii) use for any purpose in connection with the motor trade.

The indemnity to the Insured in connection with any vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purpose of its overhaul, upkeep or repair but excluding if the vehicle is in possession or on commission or else for the purpose of retail or similar.

b) Carriage of paying passengers (if stated in the Schedule)

Notwithstanding anything contained to the contrary in description of use clause 3 (a) (ii), this section is extended to cover the vehicle whilst being used for the carrying of fare-paying passengers.

c) Vehicles hired out (if stated in the Schedule)

Notwithstanding anything contained to the contrary in description of use Memoranda 3 (a) (i) or (ii), this section is extended to cover the vehicle whilst being hired out, provide that the Insurer shall not be liable to pay for loss of the insured vehicle if the vehicle is rented out to a third party in terms of a rental agreement, whether the rental agreement is in writing or not, and the third party fails to return the insured vehicle to the Insured in terms of the provisions of the rental agreement.

4. Jurisdiction clause

The Insurer shall not be liable for compensation for damages or costs and expenses of litigation recovered by any claimant from the Insured in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho or eSwatini.

5. Premium adjustment clause

If this section is issued on a non-specified vehicle basis, the Insured shall submit to the Insurer at the end of each period of insurance a declaration of the total number of vehicles owned, hired or leased at such expiry date. The Insurer shall, upon receipt of this declaration, make a premium adjustment of 50 (fifty) percent of the annual rate per vehicle applied to the difference in the number of vehicles at inception or renewal and the number declared.

6. Spare parts

In the event of any part being unprocurable as a standard (ready-manufactured) article within the Republic of South Africa, the liability of the Insurer shall be discharged by the payment of an amount equal to the value of such part at the time of loss but not exceeding the manufacturer's latest price list operative in the Republic of South Africa and the reasonable cost of freight, other than by air, and current labour charge applicable thereto.

7. Vehicle sharing

The acceptance of payment for giving lifts to passengers in private-type motorcars (as defined) and in the passenger carrying compartment of light delivery vehicles with a gross vehicle mass not exceeding 3 500 (three thousand five hundred) kilograms when it is part of a vehicle-sharing agreement for social purposes or commuting, will not be regarded as excluded under the description of use conditions, provided that:

- a) the passengers are not being carried in the course of a passenger-carrying business; and
- b) the total payments received for such journeys do not involve any element of profit.

8. Waiver of subrogation rights

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

9. War and terrorism

In respect of sub-sections B and C only, General Exception 1 is deleted and replaced by the following:

This section does not cover war, invasion, act of foreign enemy, hostilities (whether war is declared or not) civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

OPTIONAL LIMITATIONS (IF STATED IN THE SCHEDULE TO BE APPLICABLE)

1. Third party only limitation

Sub-sections A and C are cancelled.

2. Third party, fire and theft only limitation

The liability of the Insurer under sub-section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereof. Further, sub-section C is cancelled.

3. Third party and fire cover

The liability of the Insurer under sub-section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion. Damage by fire, self-ignition or explosion following an accident is not covered. Further, sub-section C is cancelled.

SPECIFIC EXCEPTIONS (APPLICABLE TO SUB-SECTION A, B, C, D AND E)

1. General motor exceptions

The Insurer shall not be liable for any accident, injury, loss, damage or liability:

- a) whilst the vehicle is being used with the general knowledge and consent of the Insured otherwise than in accordance with the description of use clause;

- b) incurred outside the territorial limits stated in the schedule under this section of the policy, provided that, the Insurer will not be liable for any accident, injury, loss, damage or liability if the country entered into provides cover on entry, but the Insurer will indemnify the Insured against loss of or damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit;
- c) arising from the ownership, possession or use of vehicles:
 - i) used principally for the transportation of explosives such as nitroglycerine, dynamite or any other substance generally classified as a highly explosive substance;
 - ii) in the underground workings of any mine; or
 - iii) in or on part of an airside area;
- d) incurred while any vehicle is being driven by:
 - i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a recognised member of the medical profession other than him- or herself);
 - ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than him- or herself or the Insured);
 - iii) the Insured while not licensed to drive such vehicle;
 - iv) any other person with the general consent of the Insured who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Insurer that, in the normal course of the Insured's business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles; or
 - v) the Insured, driver, operator or any other person who is not in the possession of a Professional Driving Permit (PrDP), Operators Permits, Hazardous Goods Training Certificates as required in terms of the National Road Traffic Act, 1996 (as amended) or any replacement statute;

provided that:

 - i) a driver, operator or any other person not being a resident of South Africa must be in possession of the valid equivalent requirements as stated in (v) above; and
 - ii) any driver shall be deemed to be licensed to drive the vehicle if they are complying with the licensing laws relating to any of the territories referred to under Specific Exception (b), or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners.

2. Road licence vehicles

The Insurer shall not be liable for any accident, injury, loss, damage or liability if the plant, insured vehicle or any other vehicle forming part of a combination of vehicles together with the insured vehicle at the time of any incident giving rise to a claim in terms of the policy fails to comply with or meet in any respect the requirements, regulations and standards as set out in the National Road Traffic Act, 1996 (as amended) or any replacement statute, or of any provincial or local proclamation or statute which is applicable to the insured vehicle insofar:

- a) as to the requirements applicable to vehicle licences, clearance certificates, certificate of fitness and roadworthiness, and Dangerous Goods;
- b) as the vehicle fails to comply with or meet in any respect the requirements, regulations and standards for roadworthiness; or
- c) the vehicle is found to be overloaded.

3. Contractual liability

The Insurer shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.

SPECIFIC CONDITIONS (APPLICABLE TO SUB-SECTION A, B, C, D AND E)

The following compulsory conditions always apply.

1. Drivers

If, during the currency of this section, any driver's licence in favour of the Insured or their authorised driver is endorsed, suspended or cancelled, or if they are charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Insurer immediately the Insured has knowledge of such fact.

2. Rights or obligations

The Insured shall not cede or assign, either in part or in whole, any of its rights or obligations in terms of this policy without the prior written consent of the Insurer.

3. Vehicle modifications

Any modification, alteration, or structural changes to the standard production design of the insured vehicle shall be reported to the Insurer in writing within 30 (thirty) days of such modification, alteration or structural change.

SUB-SECTION A: DAMAGE TO THE INSURED VEHICLE**DEFINED EVENTS****1. Loss of or damage:**

The Insurer will indemnify the Insured against damage to any insured vehicle the property of the Insured occurring in or on the premises, provided always that:

- a) the Insurer may at its own option repair, reinstate or replace such insured vehicle or any part thereof or may pay in cash the amount of the damage;
- b) the liability of the Insurer under Sub-section A of this Section is limited to the basis of indemnity as stated in Specific Condition 1 of this section of the policy in respect of any one accident or series of accidents due to or arising out of any one event or occurrence;
- c) in the event of any part (which shall include any spare wheel, tool, accessory and spare part) needed to repair or replace damage (insured against under Sub-section A of this Section) to such insured vehicle being unobtainable in the Republic of South Africa as a standard (ready manufactured) article the liability of the Insurer shall be discharged by the payment of a sum equal to the value of such part (including the reasonable cost of freight other than by air) at the time of the accident but not in any case exceeding such part's price as stated in the manufacturer's last issued catalogue or price list.

2. Additional costs:

In addition to any event the Insurer will pay for:

- a) Protection and removal (towing)
the cost of protection and removal to the nearest repairers if such vehicle is disabled by reasons of any loss or damage insured hereby;
- b) Storage and release fees
the reasonable cost of storage at the nearest yard, place of safety or repairers if such vehicle is disabled by reasons of any loss or damage insured hereby;
- c) Delivery after repair
the reasonable cost of delivery to the Insured, after repair of such loss or damage to the permanent address of the Insured.

provided that

such costs for the combination of (2) (a), (b) and (c) do not exceed the amount stated in the Schedule.

- d) Temporary/emergency repairs

In addition, if the vehicle is disabled by reason of any damage insured hereby the Insurer will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the previous consent of the Insurer to the extent of but not exceeding the amount stated in the Schedule, provided that a detailed estimate is first obtained and immediately forwarded to the Insurer.

SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION A

The Insurer shall not be liable under Sub-section A of this Section to pay for:

1. loss of use;
2. consequential loss as a result of any other cause;
3. depreciation in value whether arising from repairs following a defined event or otherwise;
4. wear and tear or as a result thereof;
5. mechanical, electronic or electrical breakdowns, failures or breakages or as a result thereof;
6. damage to tyres unless caused by an accident involving damage to the Insured vehicle itself for which indemnity is provided under Sub-section A of this Section.

EXCESS APPLICABLE TO SUB-SECTION A

It is hereby declared and agreed that if the Insured is responsible for the excess stated in the Schedule.

SUB-SECTION B: LIABILITY TO THIRD PARTIES

The Insurer will indemnify the Insured against all sums, including claimant's costs and expenses, which the Insured shall become legally liable to pay in respect of

1. accidental death of or bodily injury to any person;
2. accidental damage to any Insured vehicle held in trust by or in the custody or control of the Insured;
3. accidental damage to any other property (that is, any property other than a vehicle);
arising in or on the premises, the situation of which is stated in the Schedule, out of the activities of the Insured's business.

Provided always that:

- a) the Insurer will indemnify the Insured against all costs and expenses (which be connected with the indemnity provided under Sub-section B of this Section) incurred with the Insurer's written consent;

- b) the liability of the Insurer under Sub-section B of this Section in respect of death, injury, damage, costs and/or expenses shall be limited to the sum specified in respect of Sub-section B under the heading "Sub-section B: Liability to third parties" in the Schedule of this Section, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence and in respect of all accidents (whether single accidents or otherwise) occurring during any one term of insurance; except that in respect of death, injury, damage, costs and/or expenses directly or indirectly due to or in consequence of fire or explosion, the liability of the Insurer under Sub-section B of this Section shall be limited to the sum specified in respect of Sub-section B under the heading "Fire and Explosion" in the Schedule in respect of any one accident or series of accidents due to or arising out of any one event or occurrence and in respect of all accidents (whether single accidents or otherwise) occurring during any one term of insurance.

SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION B

The Insurer shall not be liable under Sub-section B of this Section in respect of:

1. death of or injury to any person in the employment of the Insured arising out of and in the course of such employment;
2. death of or injury to any person being a member of the same household as the Insured;
3. damage to property belonging to, held in trust by or in the custody or control of the Insured or belonging to a member of the same household as the Insured or belonging to an employee of the Insured;
4. damage to any Insured vehicle the property of the Insured or a member of the same household as the Insured or an employee of the Insured.

SPECIFIC EXTENSION APPLICABLE TO SUB-SECTION B: VEHICLES BEEN WORKED ON (IF STATED IN THE SCHEDULE TO BE INCLUDED)

It is hereby declared and agreed that "Specific Exceptions Applicable to All Subsections of This Section" (4) is deleted from the Motor Traders Internal Risk policy wording in respect of this policy, provided that:

1. the Insurer's liability for each and every claim will not exceed the amount stated in the Schedule in terms of this extension;
2. the Insurer shall not be liable for any defective workmanship or any consequence thereof under this extension;
3. the Insured shall be responsible for the excess, as stated in the Schedule, for this extension, where applicable;
4. any other excess specifically mentioned in the Schedule under a specific clause or extension shall not apply to this extension;
5. should the expenditure incurred by the Insurer include any excess for which the Insured is responsible, such amount shall be paid by the Insured to the Insurer forthwith.

EXCESS APPLICABLE TO SUB-SECTION B

It is hereby declared and agreed that if the Insured is responsible for the excess stated in the Schedule for the specific insured vehicle, the Insured is required to pay such excess to the Insurer immediately upon the request for each and every loss under this sub-section.

DEFINITIONS

1. Business

shall mean the Insured's business as stated in the Schedule.

2. Customers' vehicles

shall mean any vehicle in the custody or control of the Insured that is not the property of the Insured.

3. Dealer stock

shall mean any vehicle the property of the Insured that is for sale.

4. Insured vehicle

shall mean any motor vehicle and/or trailer including the spare wheel(s) and standard issued tools, accessories and spare parts of such motor vehicle and/or trailer whilst thereon as well as other accessories and spare parts of such motor vehicle and/or trailer whilst attached thereto.

5. Premises

shall mean the premises of the Insured stated in the Schedule and shall include:

- a) open air car parks;
- b) sidewalks immediately adjacent to the premises including street parking abutting such sidewalks.

6. New dealer stock

shall mean dealer stock that is for sale for the first time since it has been manufactured.

7. Occurrence

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

8. Purchase price

shall mean the price that the vehicle was purchased for plus any additional expenditure to repair it or increase the value thereof.

9. Retail value

- a) For vehicles listed in the auto dealers' guides

retail value shall mean the published retail value adjusted according to the guide's recommendations for odometer reading, overall condition, accessories and parts fitted to the insured vehicle at the time of the loss or damage.

- b) For vehicles, vehicle types and extras not listed in the auto dealers' guides

retail value shall mean the average retail value based on a minimum of three quotations obtained from the motor dealer market for a similar Vehicle of the same make and model in similar condition at the time of the loss or damage.

10. Schedule

shall mean the Schedule of this Section of the policy.

11. Trade value

- a) For vehicles listed in the auto dealers' guides

trade value shall mean the published trade value adjusted according to the guide's recommendations for odometer reading, overall condition, accessories and parts fitted to the Insured Vehicle at the time of the loss or damage.

- b) For vehicles, vehicle types and extras not listed in the auto dealers' guides

trade value shall mean the average trade value based on a minimum of three quotations obtained from the motor dealer market for a similar vehicle of the same make and model in similar condition at the time of the loss or damage.

12. Used dealer stock

shall mean dealer stock with one or more previous owner.

13. Write-off

shall mean that damage to a vehicle, in the opinion of the Insurer, it not economical to repair.

CLAUSES AND EXTENSIONS APPLICABLE TO ALL SUBSECTIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Application of limits of indemnity or sums insured

- a) Where the Insured vehicle is used dealer stock the liability of the Insurer is limited to the lesser of:

- i) the amount stated in the Schedule under the heading "maximum insured amount any one vehicle", or
 - ii) the purchase price of the vehicle, or;
 - iii) the trade value of the vehicle,
- for any one event;

- b) Where the Insured vehicle is new dealer stock the liability of the Insurer is limited to the lesser of:

- i) the amount stated in the Schedule under the heading "maximum insured amount any one vehicle", or;
 - ii) the purchase price of the vehicle,
- for any one event;

- c) where the Insured vehicle is a customer's vehicle the liability of the Insurer is limited to the lesser of:

- i) the amount stated in the Schedule under the heading "maximum insured amount any one vehicle", or;
 - ii) the retail value of the vehicle,
- for any one event.

2. Clause regarding application of limits of indemnity

In the event of any accident involving indemnity to more than one person any limitation by the terms of this Section and/or of any endorsement thereon of the amount of any indemnity shall apply to the aggregate amount of indemnity to all persons indemnified and such indemnity shall apply in priority to the Insured.

3. Clause regarding first portion for which the Insured is responsible

In respect of each and every occurrence regarding Sub-section A and B of this Section and notwithstanding anything to the contrary contained in such Subsections the Insured shall be responsible for the first portion payable, as stated under the heading "Excesses" in the Schedule, of any expenditure (or any less expenditure which may be insured) for which provision is made under the aforesaid Articles (including any payment in respect of costs, expenses and fees) and of any expenditure by the Insurer in the exercise of the Insurer's discretion under Sub-section A of this Section and General Condition 7 of this policy. If the expenditure incurred by the Insurer shall include the amount for which the Insured is responsible in terms of this Clause, such amount shall be paid by the Insured to the Insurer forthwith.

For the purpose of this Clause the expression "occurrence" used in this Clause shall mean an occurrence or series of occurrences due to or arising out of one cause in connection with any one vehicle in respect of which indemnity is provided by this Section.

4. Cross liabilities

Where more than one Insured is named in the Schedule the Insurer will indemnify each Insured separately and not jointly and any liability arising between such Insured shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Insurer shall not exceed the limits of indemnity stated in the Schedule.

SPECIFIC EXCEPTIONS APPLICABLE TO ALL SUBSECTIONS OF THIS SECTION

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

1. so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This exception shall apply notwithstanding that no insurance under the said enactments is in force or has been effected;

2. death, injury or damage directly or indirectly caused by fire or explosion or lightning, provided that this exception shall not apply to any claim under Sub-section A (a) and B (b) of this Section arising from death, injury or damage caused by fire or explosion resulting directly from the possession of any motor vehicle;
3. any consequence of theft or housebreaking or any attempt thereat;
4. damage to any vehicle or any other property sustained while it is being worked upon and directly resulting from such work;
5. any defective workmanship or any consequence thereof;
6. death, injury or damage caused by or through any demolition of or structural alteration or addition to the premises or by or through the installation of any equipment;
7. death, injury or damage caused by or through or in connection with the use by or on behalf of the Insured or animals, power-driven cranes, elevators, lifts or hoists other than cranes or elevators forming part of any insured vehicle;
8. death, injury or damage resulting from the driving of the insured vehicle elsewhere than in or on the premises;
9. damage caused by weather conditions to the insured vehicle;
10. any claim arising out of any contractual liability.

CLAUSES AND EXTENSIONS: OPTIONAL (APPLICABLE TO ALL SUBSECTIONS)

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Credit shortfall

If any total loss settlement under Sub-section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the Insurer will pay to the Insured an additional amount equal to the shortfall less:

- a) any arrears instalments or rentals including interest payable on such arrears;
- b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle;
- c) the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled;
- d) the excess under Sub-section A;

provided always that:

- a) the amounts payable shall not exceed the maximum indemnity less the excess under sub-section A this endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% (ten percent) from any other instalment
- b) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this extension shall be void.

2. Car hoists

In consideration of the payment of an additional premium which is included in the premium on this Section it is hereby declared and agreed that the words "and car hoists having a lift not exceeding 2 (two) metres" are added at the end of Specific Exception (7) of the Specific Exceptions applicable to all articles of this Section.

3. Loss of use of customers' vehicles

Insured event

The Insurer will pay the daily rate, as stated in the Schedule, for the period the Insured is unable to use the insured vehicle(s), as stated in the Schedule, provided always that:

- a) loss or damage is the subject of a valid claim under Sub-section A and the Insurer is liable to indemnify the Insured;
- b) compensation under this section will start after the time excess, stated in the Schedule, following the date of authorisation of repairs by the Insurer and will continue until the date that the Insured is notified that the vehicle is ready to be collected from the repairer. If the vehicle is written off, compensation will continue until the date that the initial agreement of loss is tendered to the Insured or the maximum period has passed, as stated in the Schedule, whichever is the lesser;
- c) the Insurer will pay compensation for a maximum of the days, stated in the Schedule, unless the vehicle is declared to be a total loss, provided that the Insurer's liability in respect of this section for a single event does not exceed the amount stated in the Schedule;
- d) should the insured vehicle be declared a total loss, cover will cease on the day that the initial agreement of loss is tendered by the insurer of this section of the policy, provided that the maximum period of compensation for vehicles which are declared to be a total loss is 30 (thirty) days.

Special Exception

The Insurer shall not be liable to pay for loss or damage resulting from mechanical, electrical or electronic breakdown of the insured vehicle.

4. Third party only cover

It is hereby declared and agreed that should no sum insured be stated under Sub-section A in the Schedule and the limit of indemnity has been stated for Sub-section B: Liability to Third Parties, then cover has been limited to third party only.

5. Work away from premises

In consideration of the payment of an additional premium which is included in the premium of this Section it is hereby declared and agreed that the expression "premises" as defined in the Definitions of this Section shall be deemed to include any premises at which the Insured is performing work provided that such premises are not under the control of the Insured.

6. Vehicle glass

The provisions of this section relating to excess shall not apply to any payment for damage to windscreens, window glass, external mirrors mirror, sunroof glass, headlights, taillights, fog light and fitted spotlights including any safety or protection film applied thereto forming part of any vehicle, provided that:

- a) no other damage has been caused to the vehicle giving rise to a claim under the policy;
- b) the Insurer's liability per person shall not exceed the amount stated in the Schedule; and
- c) the Insured shall be responsible for the excess stated in the Schedule of each and every loss.

SPECIFIC CONDITIONS (APPLICABLE TO ALL SUBSECTIONS)

1. Annual declarations

Prior to the renewal date, the Insured shall submit to the Insurer the total annual salaries and wages for the expiring period of insurance and the projected renewal period of insurance and the maximum insured amount per premises insured. This information will be used by the Insurer in its renewal calculations.

2. Employee register

It is a condition precedent to any liability of the Insurer under this section that the Insured shall record in a proper register the name of every employee together with his/her residential address, telephone number and a legible copy of the person's driver's licence as well as the date of engagement and of discharge of each employee.

DEFINED EVENTS

The Insurer will in accordance with the terms, exceptions and conditions of sub-sections A and B indemnify the Insured in respect of any accident, loss or damage occurring whilst any insured vehicle is elsewhere than in or on any business premises owned by or in the occupation of the Insured and such insured vehicle is being used in accordance with the terms of the basis of insurance which is mentioned under the heading "Basis of Insurance" in the Schedule.

VEHICLE TYPES

It is hereby declared and agreed the cover will be provided based on the vehicle type stated in the Schedule per the following categories:

1. Motor vehicles

shall mean any motor vehicle or trailer (excluding motorcycles and special types) which is the property of or in the custody or control of the Insured and any vehicle (mechanically propelled or otherwise) attached to any aforementioned vehicle for the purposes of being towed or salvaged.

2. Motorcycles

shall mean any two-wheeled motorcycle or motor scooter (including any side car attached thereto) which is the property of or in the custody or control of the Insured.

3. Special types

shall mean any tractor, agricultural, horticultural or forestry vehicle of load and earth moving equipment, lift truck or mobile crane (hereafter termed "Special Type Vehicle"), which is the property of or in the custody or control of the Insured and any vehicle (mechanically-propelled or otherwise) attached to any aforementioned "Special Type Vehicle" for the purpose of being towed or salvaged.

COVER TYPE (RESTRICTED OPTIONS)**1. Third party, fire and theft**

It is hereby agreed that should this cover option be stated in the Schedule, the liability of the Insurer under sub-section A of this section shall be restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion and to loss or damage by theft or any attempt thereat.

2. Third party only

It is hereby agreed that should this cover option be stated in the Schedule, the liability of the Insurer under sub-section A of this section shall be restricted solely to loss or damage resulting from sub-section B (Liability to Third Parties).

BASIS OF INSURANCE: WAGES BASIS

1. The cover under this section shall only be operative whilst the insured vehicle is being used:

- a) for business purposes of the Insured by the Insured or a member, director or employee of the Insured excluding transit, delivery or conveying for or on behalf of the Insured by casual drivers or persons not wholly and regularly engaged in the employ of the Insured;
- b) for purposes of tuition provided that the person being taught to drive is complying with the law in force relating to learner-drivers and is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured;
- c) for purposes of demonstration:
 - i) in respect of motor vehicles and special types:

which shall include driving by the person to whom the insured vehicle is being demonstrated provided that such person is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured;
 - ii) in respect of motorcycles:

whilst any insured motorcycle or insured motor scooter is being driven by a person for the purpose of tuition or demonstration without being accompanied by the Insured or a member, director or employee of the Insured; or
- d) for social, domestic and pleasure purposes (whether such use is incidental to the business of the Insured or not) by any person other than the Insured or a member, director or employee of the Insured.

2. It is a condition precedent to any liability of the Insurer under this section that the Insured shall regularly record in a proper wage register the name of every employee together with the wages, salary, commission and other consideration paid or allowed to such employee and shall immediately record in such wage register the date of engagement and of discharge of each employee.

DEFINITIONS**1. Business**

shall mean the Insured's business as stated in the Schedule.

2. Customers' vehicles

shall mean any vehicle in the custody or control of the Insured that is not the property of the Insured.

3. Dealer stock

shall mean any vehicle which is the property of the Insured that is for sale.

4. Demonstration

shall mean the act of showing and explaining aspects of a vehicle insured under this section by the Insured, director or permanent employee of the Insured to a prospective vehicle buyer.

5. Insured vehicle

shall mean any vehicle which is the property of or in the custody or control of the Insured (excluding any vehicle which is the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless the vehicle is in the custody or control of the Insured at the time of the event out of which any claim arises) and any vehicle (mechanically-propelled or otherwise) attached to any aforementioned vehicle for the purposes of being towed or salvaged.

6. New dealer stock

shall mean dealer stock that is for sale for the first time since it has been manufactured.

7. Occurrence

shall mean an occurrence or series of occurrences due to or arising out of one cause in connection with any one vehicle in respect of which indemnity is provided by this section.

8. Own vehicle

shall mean any vehicle which is the property of the Insured and that is not for sale.

9. Premises

shall mean the premises of the Insured stated in the Schedule and shall include:

- a) open air car parks; and
- b) sidewalks immediately adjacent to the premises including street parking abutting such sidewalks.

10. Private type motor cars

shall mean private type motor cars (including motorised motor homes, station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 12 (twelve) persons including the driver).

11. Purchase price

shall mean the price that the vehicle was purchased for plus any additional expenditure to repair it or increase the value thereof.

12. Reasonable value

shall mean

- a) for stock vehicles that appear in the stock register and any vehicle being used for the purposes of demonstration:
the purchase price paid or trade-in value allowed by the Insured plus an allowance for any repairs or improvements made; and
- b) for all other vehicles:
the price at which the motor trade sells a vehicle including standard factory fitted accessories and spare parts therein and thereon, the cost of which are included in the retail value. The reasonable retail value is normally determined by reference to certain recognized current publications available to the motor trade and is based on the retail value shown in such publications. The vehicle's age, condition and odometer reading could affect the reasonable retail value.

13. Retail value

- a) For vehicles Listed in The Auto Dealers' Guide
retail value shall mean the published retail value adjusted according to the guide's recommendations for odometer reading, overall condition, accessories and parts fitted to the insured vehicle at the time of the loss or damage.
- b) For vehicles, vehicle types and extras not listed in The Auto Dealers' Guide
retail value shall mean the average retail value based on a minimum of three quotations obtained from the motor dealer market for a similar vehicle of the same make and model in similar condition at the time of the loss or damage.

14. Schedule

shall mean the Schedule of this section of the policy.

15. Sub-contractor

shall mean any person or business not employed by the Insured who signs a contract to perform work for or on behalf of the Insured.

16. Test drive

shall mean the driving of a vehicle for the consideration of buying the vehicle and for the consideration of determining its quality.

17. Trade value

- a) For Vehicles Listed in The Auto Dealers' Guide
trade value shall mean the published trade value adjusted according to the guide's recommendations for odometer reading, overall condition, accessories and parts fitted to the insured vehicle at the time of the loss or damage.
- b) For vehicles, vehicle types and extras not listed in The Auto Dealers' Guide
trade value shall mean the average trade value based on a minimum of three quotations obtained from the motor dealer market for a similar vehicle of the same make and model in similar condition at the time of the loss or damage.

18. Used dealer stock

shall mean dealer stock with one or more previous owner.

19. Write-off

shall mean that damage to a vehicle, in the opinion of the Insurer, it not economical to repair.

SUB-SECTION A: LOSS OF AND/OR DAMAGE TO THE INSURED VEHICLE

DEFINED EVENTS

1. Loss of or damage to

The Insurer will indemnify the Insured against loss of or damage to any insured vehicle including the spare wheels and standard issued tools, accessories and spare parts of such insured vehicle whilst thereon as well as other accessories and spare parts of such insured vehicle whilst attached thereto, provided always that:

- a) the Insurer may at its own option repair, reinstate or replace such insured vehicle or any part thereof and/or the spare wheels, tools, accessories and spare parts thereof as mentioned above or may pay in cash the amount of the loss or damage;
- b) the liability of the Insurer under sub-section A of this section is limited to the application of limits of indemnity or sums insured in respect of any one accident or series of accidents due to or arising out of any one event or occurrence; and
- c) in the event of any part (which shall include any spare wheel, tool, accessory and spare part) needed to repair or replace damage (insured against under sub-section A of this section) to such insured vehicle being unobtainable in the Republic of South Africa as a standard (ready manufactured) article, the liability of the Insurer shall be discharged by the payment of a sum equal to the value of such part (including the reasonable cost of freight other than by air) at the time of the accident but not in any case exceeding such part's price as stated in the manufacturer's last issued catalogue or price list.

2. Additional costs

- a) Within the Borders of the Republic of South Africa Only

In addition to any defined event that occurs inside the Republic of South Africa, the Insurer will pay for:

- i) Protection and removal (towing)

the cost of protection and removal to the nearest repairers if such vehicle is disabled by reasons of any loss or damage insured hereby;

- ii) Storage and release fees

the reasonable cost of storage at the nearest yard, place of safety or repairers if such vehicle is disabled by reasons of any loss or damage insured hereby;

- iii) Delivery after repair

the reasonable cost of delivery to the Insured, after repair of such loss or damage to the permanent address of the Insured;

provided that:

such costs for the combination of 2(a) (i), (ii) and (iii) shall not exceed the amount stated in the Schedule under the heading towing, storage and release fees: within RSA.

- b) Outside the borders of the Republic of South Africa (if stated as included in the Schedule)

In addition to any defined event that occurs outside the Republic of South Africa, the Insurer will pay for:

- i) Protection and removal (towing):

the cost of protection and removal to the nearest border of the Republic of South Africa or place of safety if such vehicle is disabled by reasons of any loss or damage insured hereby. The Insurer will also pay the reasonable cost of moving the insured vehicle from the Republic of South Africa's border to the nearest approved repairer within the Republic of South Africa;

- ii) Storage and release fees:

the reasonable cost of storage at the nearest yard, place of safety or repairers if such vehicle is disabled by reasons of any loss or damage insured hereby;

- iii) Delivery after repair:

the reasonable cost of delivery to the Insured, after repair of such loss or damage to the permanent address of the Insured;

provided that:

- i) such costs for the combination of 2(b) (i), (ii) and (iii) shall not exceed the amount stated in the Schedule under the heading towing, storage and release fees: outside RSA;

- ii) if the insured vehicle cannot be repatriated to the Republic of South Africa on the grounds that the vehicle is a write-off, the Insurer will deduct 15 (fifteen) percent from the settlement due to the Insured; and

- iii) the Insurer shall not be liable to pay for government-imposed duties, charges or stamps relating to the repatriation of the vehicle.

- c) Temporary/emergency repairs

In addition, if the vehicle is disabled by reason of any damage insured hereby, the Insurer will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the previous consent of the Insurer to the extent of but not exceeding the amount stated in the Schedule, provided that a detailed estimate is first obtained and immediately forwarded to the Insurer.

3. Territorial limits:

The territorial limits covered in respect of this section of the policy are as stated in the Schedule.

SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION A

The Insurer shall not be liable to pay for:

1. consequential loss as a result of any other cause whatsoever;
2. depreciation in value whether arising from repairs following a defined event or otherwise;
3. wear and tear;
4. mechanical, electronic or electrical breakdowns, failures or breakages;
5. damage to:
 - a) tyres by application of brakes or, by road punctures, cuts or bursts; and
 - b) springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;unless damage to tyres is accompanied by damage to other related parts of the vehicle;
6. damage to the vehicle resulting directly from the vehicle not being roadworthy as set out in the National Road Traffic Act, 1996 (as amended) or any replacement statute, or of any provincial or local proclamation or statute which is applicable to the insured vehicle; or
7. loss or damage to accessories or spare parts by theft unless the vehicle is stolen at the same time.

SUB-SECTION B: LIABILITY TO THIRD PARTIES

The Insurer will:

1. indemnify the Insured in the event of an accident caused by or through or in connection with any insured vehicle, including the loading and/or unloading of such insured vehicle, against all sums, including claimants' costs and expenses, which the Insured shall become legally liable to pay in respect of:
 - a) death of or bodily injury to any person; and/or
 - b) damage to property;
2. pay all costs and expenses (which are connected with the indemnity provided under sub-section B of this section) incurred with the Insurer's written consent;
3. indemnify, in terms of and subject to the limitations of and for the purposes of sub-section B of this section, any person who is driving any insured vehicle on the Insured's order or with the Insured's permission, on the understanding that:
 - a) such person is not entitled to indemnity under any other policy or any other section of this policy;
 - b) such person shall, as though they were the Insured, observe, fulfil and be subject to the terms, limitations, exceptions and conditions of this section and of this policy in so far as they can apply; and
 - c) such person has not been refused any motor vehicle insurance or continuance thereof by any insurance Insurer or underwriter;

provided always that:

the liability of the Insurer under sub-section B of this section in respect of death, injury, damage, costs and/or expenses shall be limited to the sum specified in respect of sub-section B under the heading "Sub-section B Liability to third parties" in the Schedule, in respect of any one accident or series of accidents due to or arising out of any one event or occurrence and in respect of all accidents (whether single accidents or otherwise) occurring during any one term of insurance; except that in respect of death, injury, damage, costs and/or expenses directly or indirectly due to or in consequence of fire or explosion, the liability of the Insurer under sub-section B of this section shall be limited to the sum specified in respect of sub-section B under the heading "Fire and Explosion" in the Schedule in respect of any one accident or series of accidents due to or arising out of any one event or occurrence and in respect of all accidents (whether single accidents or otherwise) occurring during any one term of insurance.

SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION B

The Insurer shall not be liable under sub-section B of this section in respect of:

1. any compensation or claim which falls within the scope of any compulsory motor vehicle insurance enactment. This exception shall apply notwithstanding that no other insurance under such enactment is in force or has been effected and regardless of whether the applicable legislative fund is unable to or incapable of providing compensation;
2. death, injury or damage caused by or arising out of the operation, demonstration or use for purposes other than maintenance or repair of any insured vehicle (unless it is a fork lift truck) of any tool or plant forming part of or attached to or used in connection with any insured vehicle or anything manufactured by or contained in any such tool or plant;
3. death, injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of a load to any insured vehicle for loading thereon or the taking away of a load from any insured vehicle after unloading therefrom;
4. death of or injury to any person in the employment of the Insured arising out of and in the course of such employment;
5. death of or injury to any person being carried in or upon or entering or getting into or onto or alighting from any motor scooter, motorcycle or side-car attached thereto at the time of the occurrence of the event out of which any claim arises;
6. death of or injury to any person being a member of the same household as the Insured;
7. damage to property belonging to, held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from any insured vehicle;
8. damage to any viaduct bridge or weighbridge or to any road and/or anything beneath by vibration or by the weight of any insured vehicle or load carried by such insured vehicle; or
9. death of or bodily injury to any person or damage to property resulting directly from the vehicle not being roadworthy as set out in the National Road Traffic Act, 1996 (as amended) or any replacement statute, or of any provincial or local proclamation or statute which is applicable to the insured vehicle.

CLAUSES AND EXTENSIONS APPLICABLE TO SUB-SECTION B: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Contingent liability

The indemnity under sub-section B includes claims made against:

- a) the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle which is not the property of or provided by the Insured, while being used by any partner or director or employee of the Insured (hereinafter in this extension referred to as "such person");
- b) any such person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to them or to the Insured or leased or hired by either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any Insurer,
provided that:
 - i) the Insurer shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above;
 - ii) the payment by the Insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension;
 - iii) if, at the time of the occurrence of any accident giving rise to a claim under this extension, the Insured or such person is entitled to indemnity under any other policy in respect of the same occurrence, the Insurer shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy; and
 - iv) the terms, exceptions and conditions of the policy shall otherwise apply.

2. Excess applicable to Sub-section B

It is hereby declared and agreed that if the Insured is responsible for the excess stated in the Schedule, the Insured is required to pay such excess to the Insurer immediately upon request for each and every loss under this sub-section.

3. Legal liability of passengers for acts of negligence

The Insurer will at the request of the Insured indemnify in terms of sub-section B of this section any person using the insured vehicle, provided always that such person:

- a) is not personally driving or in control of the insured vehicle;
- b) is not entitled to indemnity under any other policy;
- c) is not under the influence of intoxicating liquor or drugs; and
- d) shall as though they were the Insured observe, fulfil and be subject to the terms, exceptions and conditions of this section and of this policy in so far as they can apply.

4. Legal liability in respect of passengers (applicable to motorcycles and motor scooters only)

It is hereby agreed that that Specific Exception (e) of the exceptions applicable to sub-section B of this section is cancelled, provided always that:

- a) the liability of the Insurer in respect of any one occurrence shall not exceed the amount stated in the Schedule in respect of this extension.

SUB-SECTION C: INSURED VEHICLE OCCUPANTS

Cover under this sub-section applies as follows:

1. Death benefit for drivers

Following a motor accident resulting in the death of the driver of any vehicle covered under this section of the policy, the Insurer will pay the benefit as stated in the Schedule in respect of any one claim or series of claims from one event, directly to the driver's estate.

2. Driver repatriation

If a claim is admitted under sub-section A and the insured vehicle is disabled as a result of the loss or damage, the Insurer will indemnify the Insured for:

- a) the reasonable expenses necessarily incurred for overnight accommodation for the driver for a maximum of two nights; and
- b) transport of the driver of the vehicle at the time of the loss or damage from the place at which the vehicle became disabled to the driver's normal place of residence in the Republic of South Africa or intended destination, or point of departure on this journey, provided that:
 - i) the driver's destination, place of residence and point of departure on this journey are all more than 100 (one hundred) kilometres away from the place at which the vehicle became disabled; and
 - ii) the Insurer's liability shall not exceed the insured amount stated in the Schedule for any one event.

3. Medical expenses

If an occupant of an insured vehicle, in direct connection with the vehicle, sustains bodily injury by violent, accidental, external and visible means, the Insurer will pay to the Insured the medical expenses incurred as a result of the injury, including any costs incurred to free the injured occupant from the vehicle or to bring the injured occupant to a place where medical treatment can be given, provided that:

- a) the Insurer's liability per occupant shall not exceed the insured amount stated in the Schedule;
- b) the Insurer's liability per event shall not exceed the insured amount stated in the Schedule;
- c) the cover is limited to occupants of a private motor car or the permanently enclosed passenger carrying compartment of any other vehicle; and

- d) the amount payable under this cover shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.

4. Trauma

The Insurer will pay for expenses incurred, not otherwise covered, by any member, director or employee of the Insured undergoing treatment by a registered professional counsellor following the person being psychologically traumatised as a direct result of violence or threat of violence during theft, attempted theft or hijack of any insured vehicle, provided that the Insurer's liability shall not exceed the insured amount stated in the Schedule for any one event.

SPECIFIC EXCEPTIONS (APPLICABLE TO SUB-SECTIONS A AND B)

The Insurer shall not be liable under this section in respect of:

1. the extent of any compensation or claim which falls within the scope of any compulsory motor vehicle insurance enactment. This exception shall apply notwithstanding that no insurance under the aforementioned enactment is in force or has been effected;
2. any accident, injury, loss, damage, liability, costs and/or expenses caused, sustained or incurred outside the territorial limits stated in the Schedule, provided, however, that the Insurer will indemnify the Insured in terms of sub-section A of this section against loss of or damage to any insured vehicle whilst in transit by sea between any ports in the aforementioned area, including loading and unloading incidental to such transit;
3. any accident, injury, loss, damage, liability, costs and/or expenses caused, sustained or incurred while any insured vehicle in respect of or in connection with which insurance is granted under this section
 - a) is being used otherwise than in accordance with the terms of the "Description of Use Clause" of this section and the "Basis of Insurance" which is mentioned in the Schedule;
 - b) is being driven by the Insured or by any other person with the general knowledge and consent of the Insured unless duly and fully licensed to drive such vehicle in terms of the legislation applying to the area referred to in Specific Exception (2) of the Specific Exceptions applicable to this section;
provided, however, that if such a licence is subject to renewal, the Insured has held and is not disqualified from holding or obtaining such a licence; and
provided further that this exception shall not apply whilst the Insured or any such other person as is driving such vehicle is learning to drive and is complying with the laws and regulations in force relating to learner drivers;
 - c) is being driven by the Insured, a member or a director of the Insured whilst under the influence of any drug or intoxicating liquor;
 - d) is being driven with the general consent of the Insured or of his representative by any person who, to the knowledge of the Insured or of such representative, is under the influence of any drug or intoxicating liquor; or
 - e) is being used for any unauthorised purpose by an employee of the Insured or by any other person with whom such employee is or was in collusion; or
4. any claim arising out of any contractual liability.

CLAUSES AND EXTENSIONS APPLICABLE TO ALL SUB-SECTIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Application of limits of indemnity or sums insured

- a) Where the insured vehicle is used dealer stock
the liability of the Insurer is limited to the lesser of:
 - i) the amount stated in the Schedule under the heading "maximum insured amount any one vehicle", or
 - ii) the purchase price of the vehicle, or
 - iii) the trade value of the vehicle,for any one event.
- b) Where the insured vehicle is new dealer stock
the liability of the Insurer is limited to the lesser of:
 - i) the amount stated in the Schedule under the heading "maximum insured amount any one vehicle", or
 - ii) the purchase price of the vehicle,for any one event.
- c) Where the insured vehicle is a customer's vehicle or own vehicle
the liability of the Insurer is limited to the lesser of:
 - i) the amount stated in the Schedule under the heading "maximum insured amount any one vehicle", or
 - ii) the retail value of the vehicle,for any one event.

2. Cross liabilities

Where more than one Insured is named in the Schedule, the Insurer will indemnify each Insured separately and not jointly, and any liability arising between such Insured shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule.

3. Description of use

Use for the Insured's business or occupation as stated in the Schedule;

excluding:

- a) hiring;
- b) carriage of passengers for hire or carriage of fare paying passengers;
- c) driving instruction, for reward;
- d) racing; speed or other contests, rallies or trials;
- e) carriage of explosives;
- f) carriage of passengers in excess of the number for which the vehicle is licensed or authorised by law to carry; and
- g) carriage of any load in excess of that for which the vehicle is licensed to carry.

4. Fire extinguishing charges

Any costs not exceeding the amount stated in the Schedule relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the Insurer may be liable in terms of this section, provided the Insured is legally liable for such costs and the insured property was in danger from the fire.

5. First portion for which the insured is responsible

In respect of each and every occurrence regarding sub-sections A and B of this section and notwithstanding anything to the contrary contained in such sub-sections, the Insured shall be responsible for the first portion, as stated under the heading "Excesses" in the Schedule, of any expenditure for which provision is made under the aforesaid sub-sections (including any payment in respect of costs, expenses and fees), or any less expenditure which is actually incurred, and of any expenditure by the Insurer in the exercise of the Insurer's discretion under sub-section A of this section and General Condition 7(a)(ii) of this policy. If the expenditure incurred by the Insurer shall include the amount for which the Insured is responsible in terms of this clause, such amount shall be paid by the Insured to the Insurer forthwith.

6. Loss of keys, locks and remote-control units

The Insurer will indemnify the Insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle following upon the disappearance of any key or alarm controller of such vehicle or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that:

- a) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event; and
- b) the Insured shall be responsible for the excess as stated in the Schedule in respect of any one event.

CLAUSES AND EXTENSIONS: OPTIONAL (APPLICABLE TO ALL SUB-SECTIONS)

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule.

1. Credit shortfall

If any total loss settlement under sub-section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the Insurer will pay to the Insured an additional amount equal to the shortfall less:

- a) any arrears instalments or rentals including interest payable on such arrears;
- b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle;
- c) the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled; and
- d) the excess under sub-section A;

provided always that:

- a) the amounts payable shall not exceed the maximum indemnity less the excess under sub-section A. This endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10 (ten) percent from any other instalment; and
- b) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease, the insurance by this extension shall be void.

2. Demonstration risk

The Insurer shall indemnify the Insured whilst any insured vehicle is being used for the purpose of demonstration.

3. Loss of use of customers' vehicles

Insured Event

The Insurer will pay the daily rate as stated in the Schedule for the period the Insured is unable to use the insured vehicle(s) as stated in the Schedule, provided always that:

- a) loss or damage is the subject of a valid claim under sub-section A and the Insurer is liable to indemnify the Insured;
- b) compensation under this section will start after the time excess stated in the Schedule following the date of authorisation of repairs by the Insurer and will continue until the date that the Insured is notified that the vehicle is ready to be collected from the repairer. If the vehicle is written off, compensation will continue until the date that the initial agreement of loss is tendered to the Insured or the maximum period has passed as stated in the Schedule, whichever is the lesser;
- c) the Insurer will pay compensation for a maximum of the days stated in the Schedule unless the vehicle is declared to be a total loss, provided that the Insurer's liability in respect of this section for a single event does not exceed the amount stated in the Schedule;

- d) should the insured vehicle be declared a total loss, cover will cease on the day that the initial agreement of loss is tendered by the insurer of this section of the policy, provided that the maximum period of compensation for vehicles which are declared to be a total loss is 30 (thirty) days; and
- e) if the vehicle is stolen or hijacked, compensation will commence from the time the Insurer is first notified of the theft or hijack of the insured vehicle. Compensation will cease on the day that the insurer of this section of the policy tenders the initial agreement of loss to the Insured or the maximum period as stated in the Schedule, whichever is the lesser, or the date on which the vehicle is recovered.

Special Exception

The Insurer shall not be liable to pay for loss or damage resulting from mechanical, electrical or electronic breakdown of the insured vehicle.

4. Own vehicles

The expression insured vehicle used in this section is deemed to include any vehicle which is the property of the Insured.

5. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

6. Social, domestic and pleasure purposes

The Insurer shall indemnify the Insured whilst any insured vehicle is being used for social, domestic and pleasure purposes by any person whose name is mentioned in respect of this extension in the Schedule.

7. Transit, delivery and conveying risk

The Insurer shall be liable in respect of any insured vehicle whilst in transit, on delivery or in convoy and is under the control of the Insured or a member, director or employee of the Insured, casual drivers or persons not entirely and regularly in the employment of the Insured, provided however that the Insurer is liable only for such transit, delivery or conveying:

- a) from the place and date of departure to the destination place as stated in the Schedule; and
- b) for a period lasting not more than the consecutive hours stated in the Schedule.

8. Unauthorised use of vehicles by employees

It is hereby agreed that Exception (3) (e) of the Specific Exceptions to this section is cancelled.

9. Vehicles lent or hired to customers

The description of use is extended to include the use of the vehicle as defined for business purposes by any customer of the Insured or for social, domestic and pleasure purposes, provided that:

- a) the vehicle has been lent or hired to such customer whilst such customer's vehicle is in the custody or control of the Insured for repair, testing, servicing, maintenance, alteration, cleaning or inspection;
- b) such customer is not entitled to indemnity under any other policy;
- c) such customer shall, as though s/he were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this policy insofar as they can apply; and
- d) the customer driving the vehicle is fully licenced to drive such vehicle in terms of the legislation applying to any territory within the territorial limits, provided that:
 - i) the customer has held and is not disqualified from holding or obtaining such a licence; or
 - ii) if a customer is driving such a vehicle whilst learning to drive, the customer is compliant with the laws and regulations in force relating to learner drivers and shall be deemed to be duly and fully licenced within the meaning of this clause.

10. Vehicle glass

The provisions of this section relating to excess shall not apply to any payment for damage to windscreens, window glass, external mirrors mirror, sunroof glass, headlights, taillights, fog light and fitted spotlights including any safety or protection film applied thereto forming part of any vehicle, provided that:

- a) no other damage has been caused to the vehicle giving rise to a claim under the policy; and
- b) the Insurer's liability per person shall not exceed the amount stated in the Schedule; and
- c) the Insured shall be responsible for the excess stated in the Schedule for each and every loss.

11. Wreckage removal

The cover provided under sub-section A of this section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a defined event, provided that in addition to the limit of indemnity under sub-section A of this section, the limit of the Insurer's liability under this extension shall not exceed the amount stated in the Schedule, in respect of any one occurrence.

SPECIFIC CONDITIONS (APPLICABLE TO ALL SUB-SECTIONS)

The following compulsory conditions always apply.

1. Annual declarations

Prior to the renewal date, the Insured shall submit to the Insurer the total annual salaries and wages for the expiring period of insurance and the projected renewal period of insurance, the number of drivers and technicians employed and the list of own vehicles or vehicles lent or hired to customers, if insured by this section. This information will be used by the Insurer in its renewal calculations.

2. Drivers

If during the currency of this section any driver's licence in favour of the Insured or in favour of any authorised driver of the Insured is endorsed, suspended or cancelled or if he or she is charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Insurer immediately the Insured has knowledge of such fact.

3. Employee register

It is a condition precedent to any liability of the Insurer under this section that the Insured shall record in a proper register the name of every employee together with his/her residential address, telephone number and a legible copy of the person's driver's licence as well as the date of engagement and of discharge of each employee.

4. Reasonable steps

In addition to complying with General Condition 21 of this policy, reasonable steps shall be taken in the event of any accident or breakdown to prevent further damage or loss and if the insured vehicle which is involved is driven or used before the necessary repairs are effected, any extension of the damage or any further damage to such insured vehicle shall be entirely at the Insured's own risk.

SUB-SECTION A: MATERIAL DAMAGE**DEFINED EVENTS****1. Physical loss or damage**

to the property insured described in the Schedule from any cause not hereinafter excluded whilst:

- a) at work or at rest or whilst being dismantled for the purpose of cleaning, inspection or overhaul or in the course of these operations or subsequent reassembly anywhere within that part of the building occupied by the Insured at the insured premises described in the Schedule;
- b) in transit including loading and unloading or whilst temporarily stored at any premises en route;
- c) temporarily removed from the insured premises described in the Schedule to any other building within the territorial limits;
- d) away from the insured premises stated in the Schedule anywhere in the world if the insured property is a laptop, tablet or other similar portable electronic equipment designed to be carried by person;
- e) at or away from the insured premises stated in the Schedule and whilst at work or at rest in any location (other than in a building) or vehicle provided that the insured property is of a specialist nature designed to operate or exist in such location or vehicle;
- f) at the premises of any supplier or repairer of such equipment for the purposes of cleaning or repair.

2. Losses as a result of lightning and power surge

to property described in the Schedule:

- a) and shall be protected by surge arrestors installed on the insured premises on all electronic distribution boards, power supplies, power supply plugs, telecommunication lines, data lines or individual equipment; and
- b) installation shall comply with all "South African Bureau of Standards (SABS) Code of Practice" for surge protection and similar requirements; and
- c) the Insured shall be responsible to pay an additional excess as stated in the Schedule, if a) and b) stated above are not complied with.

3. Losses as a result of non-forcible and violent entry into vehicle

to property described in the Schedule:

where the Insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that:

- a) the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but the locking mechanism was blocked by thieves using an electronic device. Such evidence will be deemed to satisfy the forcible and violent entry or exit requirement for any loss out of the cab or boot of the vehicle;
- b) this exclusion will not apply where the vehicle has been involved in an accident or other incident where, due to the circumstances beyond the control of the driver and passengers, the property has to be left unattended and cannot be secured as required;
- c) the police case number is supplied to the Insurer;
- d) cover shall apply only to property that is separately and individually specified in the Schedule;
- e) the Insurer's maximum liability shall not exceed the amount stated in the Schedule in respect of any one event; and
- f) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

DEFINITIONS (APPLICABLE TO SUB-SECTION A)**1. Market value**

shall mean the current day purchase price of second-hand/used property of equal performance and/or capacity to the property lost or damaged and of substantially similar condition. Where no similar property is available, market value shall be calculated by deducting from the current new replacement value of the nearest equivalent property, an amount representing:

- a) 20% (twenty percent) for the first year after the date of purchase; and
- b) 10% (ten percent) per year for each succeeding year;

subject always to a minimum indemnity of 40% (forty percent) of the current new replacement value of the nearest equivalent property.

2. New property insured

shall mean property purchased no more than 7 (seven) years (or such extended period as may be approved by the Insurer in writing) prior to the defined event, it being expressly agreed that in applying this definition upgrades and enhancements will be taken into account in arriving at an indemnifiable amount and the age of the property insured.

3. Unattended vehicle

shall mean any vehicle being used by the Insured or any principal, partner, director or employee of the Insured where such person is not in a position to keep the vehicle under constant observation and at the same time have a reasonable prospect of preventing any unauthorised interference with the vehicle.

EXCEPTIONS TO SUB-SECTION A

The Insurer will not be liable to indemnify the Insured irrespective of the original cause in respect of:

1. Excess

as stated in the Schedule in respect of sub-section A, of each and every event giving rise to a claim. Where more than one item of property insured suffers physical loss or damage in any one event, the excess shall be the highest single amount applicable to such property insured;

2. Derangement

unless accompanied by physical damage otherwise covered by this section;

3. Maintenance and/or leasing agreement

loss or damage recoverable in terms of any maintenance and/or leasing agreement effected by or on behalf of the Insured covering the insured equipment;

4. Faults or defects

known to the Insured (or their responsible employees) at the time this insurance was arranged or during the currency of the insurance and not disclosed to the Insurer or any consequences thereof;

5. Wastage

of material or the like or wearing out of any part of the property insured caused by or naturally resulting from ordinary usage or working or other gradual deterioration, development of poor contacts or scratching of painted or polished surfaces of a cosmetic nature;

6. Parts having a short life

such as (but not limited to) bulbs, valves, contacts, X-ray tubes, cathode ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. If such parts are damaged as a result of physical loss or damage as provided for by this sub-section to other parts of the property insured, the Insurer shall indemnify the Insured for the residual value prior to the loss of such exchangeable parts;

7. Wear and tear

or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded;

8. Cleaning process

its undergoing a process of cleaning, repair, alteration or restoration;

9. Cost of reproducing

data and/or programs whether recorded on cards, tapes, discs or otherwise unless specifically provided for in sub-section B hereof;

10. Loss of use

of the property or other consequential loss, damage or liability of whatsoever nature other than losses specifically provided for herein;

11. Loss by theft or by disappearance of the property insured

a) from the premises:

unless accompanied by forcible and violent entry into or exit (or any attempt thereat) from that part of the building occupied by the Insured at the insured premises described in the Schedule or as a result of theft or any attempt thereat, following violence or threat of violence, provided that this exception shall not apply to portable equipment;

b) while in transit:

accompanied by visible signs of forcible and violent entry to the transporting vehicle during transit or whilst temporarily removed from the insured premises unless identifiable by the Insured with a specific incident which has been immediately reported to the police and the Insurer, provided that if the transporting vehicle has been hijacked or involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected, this Specific Exception 11 (b) shall not apply;

c) from an unattended vehicle, provided that:

- i) the property is concealed in a completely closed and securely locked vehicle; or
- ii) the vehicle itself was housed in a securely locked building; and

entry to or exit from such locked vehicle or building is accompanied by visible signs of forcible and violent entry or exit.

BASIS OF INDEMNIFICATION

The indemnity by this sub-section, subject always to the sums insured contained in the Schedule or any specific limit of liability contained in this sub-section, shall be as hereinafter provided and as appropriate include dismantling, re-erection, transportation, removal of damaged property insured (but less the value of the remains) and, where applicable, importation duties and value added tax.

1. Partial loss

If the property insured suffers damage that can be repaired, the basis of indemnification shall be the restoration expenses reasonably and necessarily incurred to restore the damaged property to working order, provided that:

- a) the costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this sub-section;
- b) if, without the consent of the Insurer, temporary repairs are carried out by the Insured in the interests of safety or to minimize further loss or damage to the property insured, the cost of such temporary repairs will be borne by the Insurer. In the event that the temporary repairs aggravate the loss or cause additional loss or damage to the property insured, any additional costs so incurred or consequence arising therefrom will be for the account of the Insured; and

- c) where the damage is restricted to a part or parts of an insured item, the Insurer shall not be liable for an amount greater than the value of such part or parts which are lost or damaged allowed for within the sum insured.

2. Total loss

- a) In cases where the new property insured is totally lost or destroyed, the basis of indemnification shall be the cost of replacing or reinstating on the same site new property of equal performance and/or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or damaged, provided always that:
- i) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured, subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the market value of the property insured immediately before the damage shall be made;
 - ii) until expenditure has been incurred by the Insured in replacing or reinstating the property insured, the Insurer shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein; and
 - iii) these conditions shall be without force or effect if:
 - a. the Insured fails to intimate to the Insurer within 6 (six) months of the date upon which the damage occurred (or such further time as the Insurer may in writing allow) their intention to replace or reinstate the property insured; or
 - b. the Insured is unable or unwilling to replace or reinstate the property insured on the same or another site.
- b) In respect of property insured not provided for in (A) above, the basis of indemnification shall be the market value of the property insured immediately before the loss or damage. At the option of the Insurer, the property insured shall be regarded as totally destroyed if the repair costs as defined in 1 above (Partial Loss) equal or exceed its market value immediately before the damage.

3. Average

In respect of 1 (Partial Loss) and 2 (Total Loss) within the Basis of Indemnification sub-section above, if at the time of repair, replacement or reinstatement, the sum representing the cost which would have been incurred in repair, replacement or reinstatement if the whole of the property insured had been lost or damaged exceeds the sum insured thereon at the time of any loss of or damage to such property, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision.

LIMIT OF LIABILITY

The amount of liability shall not exceed, in respect of any of the items specified in the Schedule, the sums insured set opposite thereto respectively and, in addition thereto, the following:

1. Cost of demolition and clearing and erection of hoardings

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

2. Express delivery and overtime

Extra charges for express delivery, airfreight, overtime, Sunday and holiday rates of wages payable in respect of the necessary and reasonable additional costs incurred by the Insured for effecting repairs or replacement approved by the Insurer, limited to 50% (fifty percent) of the amount which the repair or replacement would have cost had these additional costs not been incurred.

3. Professional fees

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Declaration procedure and premium adjustment

- a) At the expiry of each period of insurance the Insured shall within 30 (thirty) days of expiry submit to the insurers a revised of property insured which shall take into account all additions, deletions, extensions and modifications to the property insured. This declaration shall also reflect the installed new replacement value of the property insured.
- b) The premium charged at the commencement of each period of insurance shall be regarded as a deposit premium. The premium shall be recalculated at the end of the period of insurance based on the Insured's declaration outlined in (a) above and if the ascertained premium at the agreed rate(s) exceeds or falls short of the deposit premium paid, the Insured shall pay or the insurer shall refund the difference as the case may be but not exceeding 50% (fifty percent) of such difference.
- c) The deposit premium for each renewal of the period of insurance shall be based on the declaration for the previous period of insurance. In respect of monthly policies, for the purposes of this extension, the "period of insurance" shall be deemed to be a period of twelve consecutive months from the inception date or anniversary date.

2. Disposal of salvage

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

3. Fatal injury

The cover granted by this section includes fatal injury to any principal, partner, director or employee of the Insured sustained whilst on the Insured's premises and occasioned by:

- a) fire, provided that a fire brigade attends or is summoned; or

b) outward and visible violence caused by burglars,

the Insurer will pay to the executors or administrators of the deceased's estate the amount stated in the Schedule, provided that death ensues within 3 (three) months of such injury.

4. Fire extinguishing charges

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

5. Hire purchase/finance agreements

Where the Insurer has knowledge of the property insured or any individual item thereof being the subject of a suspensive sale or similar agreement, payment hereunder shall be made to the owner described therein whose receipt shall be a full and final discharge to the Insurer in respect of loss or damage indemnifiable by this sub-section.

6. Municipal plans scrutiny fee

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

7. Security costs

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

8. Software upgrade

If the Insurer has accepted liability in terms of a claim, the Insurer will pay in addition to any other amount the reasonable cost to reinstate or upgrade the software installed on the system which is lost or damaged, provided that:

- a) the cost towards the replacement or upgrade of the software shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess stated in the Schedule for each and every upgrade or replacement; and
- c) this extension shall apply to each item separately and individually.

9. Temporary repairs and measures after loss

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

10. Tenants

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

SECURITY REQUIREMENTS

1. Burglar alarm warranty

It is a condition precedent to the liability of the Insurer that a burglar alarm system will be installed in all premises stated in the Schedule to be subject to this condition and the Insured warrants that:

- a) the burglar alarm installed in the premises shall be fully activated whenever the premises is not open for normal business unless any principal, partner, director or employee is in or on the premises;
- b) the burglar alarm installed in the premises shall have adequate passive infrared motion detectors or beams installed to cover all entry or exit points (doors of any kind or description and all windows whether opening or not); and
- c) the passive infrared motion detectors or beams of the required alarm system are not obstructed or bypassed.

The insurance shall not cover loss of or damage to property following the use of keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured unless such keys, keypad code or remote control were obtained by violence or threat of violence to any person.

The Insured warrants further that:

- a) they have a contract for burglar alarm services and such services shall include the services of a 24 (twenty-four) hour armed response unit;
- b) the control panel shall have an event log and the arming and disarming of the alarm shall be logged;
- c) after the occurrence of a claim, the Insurer will be entitled to request full information of the relevant event log; and
- d) such alarm will be maintained in proper working order but the Insured shall be deemed to have discharged their liability if they have maintained their obligations under a maintenance contract with the installation/service company of the alarm system;

provided that:

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.

SUB-SECTION B: CONSEQUENTIAL LOSS (IF STATED AS INCLUDED IN THE SCHEDULE)

DEFINED EVENTS

The insurance provided by this sub-section shall be subject to the limits of indemnity stated in the Schedule and shall include:

1. Increased cost of working

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured during the indemnity period in consequence of the accident for the sole purpose of avoiding or diminishing the interruption of or interference with the normal business of the Insured less any sum saved during the indemnity period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of the accident.

The indemnity by this item shall not apply directly or indirectly to:

- a) the cover provided for in item (2) of this sub-section;
- b) the intrinsic value (including reinstatement value) of the property insured by sub-section A of this section (Material Damage);
- c) the additional costs resulting from the hire/lease contract in force at the time of the loss or damage being cancelled and replaced by a new lease/hire contract in respect of similar property at a rental charge rate above that payable under the cancelled contract as a result of an insured event; or
- d) the additional costs reasonably incurred by the Insured strictly in the form of the interest payable on a bank loan raised through a recognised banking institution for the sole purpose of avoiding or diminishing the reduction in income normally derived from operations which but for the bank loan would have taken place as a result of loss of or damage to the property insured beginning at the time of the occurrence of the loss or damage and ending not later than 6 (six) months after the time of the occurrence.

2. Reconstitution of data/programs

Costs and expenses necessarily and reasonably incurred by the Insured for the reconstitution or recompilation of data and/or programs recorded on or stored in data-carrying media which are lost as a result of accidental erasure (which shall include the events defined in the indemnity clause to sub-section A of this section (Material Damage)) or by theft or by the deliberate, wilful or wanton intention of causing the cancellation or corruption of data or programs as provided for in sub-section A of this section, provided that:

- a) the indemnity shall not extend to or include such costs incurred due to program errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programs;
- b) in respect of each and every event or series of events arising out of or in connection with one original cause or source indemnifiable by this item, the Insured shall bear the amount stated in the Schedule as the excess; and
- c) where the Insured elects to insure programs (software), a Schedule of such programs shall be lodged with the Insurer at the commencement of each period of insurance.

DEFINITIONS (APPLICABLE TO SUB-SECTION B)

1. Accident

- a) Applicable to increased cost of working only

Physical loss of or damage to the property insured described in the Schedule from any cause as provided for under sub-section A of this section (Material Damage), liability under which sub-section shall, except for the provisions relating to the excess or the maintenance/lease agreements, be a condition precedent to liability hereunder.

- b) Failure of electricity supply at the terminal ends of the service feeders in the premises from any accidental cause other than:
 - i) the deliberate act of the Insured or any supply authority; and
 - ii) drought or shortage of fuel at any electricity utility.

Special conditions applicable to failure of the public supply of electricity:

- i) the liability of the Insurer shall not exceed the sum insured by this sub-section; and
- ii) the indemnity period shall commence 12 (twelve) hours after the failure and end not later than 30 (thirty) days after such failure.

2. Indemnity period

The period during which the results of the business shall be affected in consequence of the accident beginning with the number of hours/days detailed in the Schedule as the time excess after the occurrence of the accident and ending not later than the expiry of the period detailed in the Schedule as the indemnity period after such occurrence.

The time excess shall not apply to loss or damage directly caused by fire, storm (excluding lightning), subsidence, wind or the collapse of buildings.

3. Limit of liability

The liability of the Insurer shall not exceed the amounts specified in the Schedule (relating to this sub-section B) in respect of any one accident or series of accidents arising out of or in connection with any one event.

In the event of the payment by the Insurer of any sum or sums in discharge of the Insurer's liability in terms of this sub-section, the sum(s) insured shall automatically be reinstated for the remainder of the current period of insurance.

The Insured shall pay to the Insurer the additional premium required by the Insurer calculated pro rata from the day of the accident to the end of the period of insurance.

SPECIFIC EXCEPTIONS TO SUB-SECTION B

Unless specifically provided for:

1. Fines and penalties

the Insurer shall not be liable to indemnify the Insured in respect of fines or penalties for breach of contract for late or non-completion of orders or any penalties of whatsoever nature.

2. Loss of profit

the Insurer shall not be liable to indemnify the Insured in respect of loss of profit or consequential loss of whatsoever nature unless specifically provided for herein.

CLAUSES AND EXTENSIONS

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

1. Reinstatement

Notwithstanding anything to the contrary contained in this sub-section, it is hereby declared and agreed that, in the event of any interruption, following loss or damage, being aggravated by:

- a) the Insured being unable or unwilling to replace or reinstate property destroyed or damaged, or failing to carry out such replacement or reinstatement within a reasonable time; or
- b) additions, alterations or improvements being effected to the property insured on the occasion of its repair.

The Insurer's liability under this section shall be related solely to the business interruption which would have arisen in the absence of (a) and (b).

2. Telecommunication access lines (if stated as included in the Schedule)

Subject to the limits specified in the Schedule, consequential loss as provided for under defined events (i) (increased cost of working) and defined events (ii) (reinstatement of data/programs) of sub-section B arising from accidental failure of the telecommunication access lines is included, provided that:

- a) the liability of the Insurer shall not exceed the sum insured by this sub-section;
- b) the indemnity period shall commence 12 (twelve) hours after the failure and end not later than 30 (thirty) days after such failure; and
- c) the insurance provided does not cover loss occasioned by the deliberate act of any telecommunication authority or by the exercise of such telecommunication authority of its power to withhold or restrict access to its lines.

GENERAL MEMORANDA

MEMO 1: CAPITAL ADDITIONS AND CURRENCY FLUCTUATIONS

The indemnity by this section shall include:

1. additional equipment or programs purchased by the Insured of a similar nature to that specified in the Schedule, provided that, in respect of loss or damage due to electrical, mechanical or electronic breakdown or explosion, the insurance shall only commence after satisfactory completion of installation or commissioning/testing and put into use at the Insured's premises; and
2. provision for devaluation or revaluation of the currency of the Republic of South Africa against that of the country of origin of the property insured and other inflationary trends, which may result in the escalation of the sum insured (representing the installed new replacement value) of the property insured;

provided that:

the increase shall not exceed, by more than 25% (twenty-five percent), the total sum insured for sub-section A specified in the Schedule, it being agreed that the Insured will advise the Insurer of such alterations after the expiry of each period of insurance and pay the appropriate premium thereon but not exceeding 50% (fifty percent) of the difference.

MEMO 2: ESCALATION DURING THE PERIOD OF REINSTATEMENT

In the event of the installed new replacement value of the property insured during any period of reinstatement of indemnifiable loss or damage exceeding the sum insured thereon (being the installed new replacement value at the time of the loss or damage) the said sum insured shall be deemed to be increased by an amount not exceeding the percentage stated in the Schedule for escalation, subject always to the Insured paying the appropriate additional premium.

MEMO 3: PREVENTION OF ACCESS

If, during the indemnity period, the business at the premises is interrupted or interfered with in consequence of the Insured being prevented from having access to the property insured situated at the premises caused by damage to property within a 10 (ten) kilometre radius of the insured premises as described in the Schedule by fire, lightning, explosion, storm, tempest, flood, water inundation, earthquake or impact by vehicles, the Insurer shall indemnify the Insured for loss resulting from such interruption or interference in accordance with the provisions contained herein;

provided that:

1. the Insured is not entitled to indemnity as provided for in this extension under any other policy or section of this policy; and
2. this section shall not be brought into contribution with any other policy or section of this policy bearing a like extension.

MEMORANDUM 4: TERRITORIAL LIMITS

The territorial limits are:

1. in respect of property other than that described in (2) below, the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe, Malawi and Mozambique; and
2. in respect of laptops, notebooks, palmtop computers, smartphones and other portable computer equipment temporarily outside the territories referred to in (1) above, anywhere in the world.

SPECIAL EXCEPTION (SUB-SECTIONS A AND B)

1. Viruses, trojans and worms

The Insurer shall not indemnify the Insured for loss or damage of whatsoever nature arising directly or indirectly out of or in connection with the action of any computer virus, Trojan or worm(s) or other similar destructive media.

GENERAL EXTENSIONS: OPTIONAL

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

1. Incompatibility cover

Notwithstanding anything to the contrary contained in the policy, the indemnity by sub-sections A and B of this section shall indemnify the Insured for loss or damage incurred in respect of:

- a) modifications or alterations to the property insured directly consequent upon indemnifiable loss or damage to ensure the operating integrity of the electronic system;
- b) replacement or upgrading of legal programs to achieve compatibility with the modified or altered electronic system; and
- c) the restoration of previously captured data which has become inaccessible due to the modifications to or alterations of the electronic system or in consequence of the replacement or upgrading of legal programs;

provided always that:

- a) the costs provided for in (a), (b) and (3) above shall be necessarily and reasonably incurred to maintain normal working conditions;
- b) such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of sub-sections A or B (item ii) of this section;
- c) the cover afforded hereunder shall be restricted to:
 - i) parts or components of the electronic system which are not indemnifiable under sub-section A hereof; and
 - ii) programs or data reinstated not indemnifiable under item (2) of sub-section B hereof; and
- d) the indemnity by this extension shall, in respect of any one event, be limited in the aggregate to 20% (twenty percent) of the applicable total sum insured under Sub-section A (the limit of indemnity) and sub-section B (Defined Event (ii)) or R35,000 (thirty-five thousand Rand), whichever is the lesser.

2. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

DEFINED EVENTS

Interruption or interference with the business in consequence of an accident (as defined) basis of indemnification clause:

GROSS PROFIT (IF STATED AS INCLUDED IN THE SCHEDULE)

The insurance is limited to loss of gross profit due to 1. reduction in turnover and 2. increase in cost of working and the amount payable as indemnity thereunder shall be:

1. In respect of reduction in turnover

The sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover.

2. In respect of increase in cost of working

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the accident 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 standing charges as may cease or be reduced in consequence of the accident.

Provided that:

If the sum insured be less than the sum produced by applying the rate of gross profit to the annual turnover the amount payable shall be proportionately reduced.

GROSS REVENUE (IF STATED AS INCLUDED IN THE SCHEDULE)

The insurance is limited to loss of gross revenue due to 1. loss of gross revenue and 2. increase in cost of working and the amount payable as indemnity thereunder shall be:

1. In respect of loss of gross revenue

The amount by which the gross revenue during the indemnity period shall in consequence of the accident fall short of the standard gross revenue.

2. In respect of increase in cost of working

The additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of gross revenue which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the amount of the reduction in gross revenue thereby avoided.

Less any sum saved during the indemnity period in respect of such of the working expenses and standing charges of the business as may cease or be reduced in consequence of the accident.

Provided that if the sum insured be less than the annual gross revenue the amount payable shall be proportionately reduced.

The basis of indemnification shall relate to either 1. the gross profit item or 2. the gross revenue item and only one such term shall be operative in connection with one occurrence whichever is applicable to the business and stated in the Schedule as insured.

ADDITIONAL INCREASE IN COST OF WORKING (IF STATED AS INCLUDED IN THE SCHEDULE)

This insurance is limited to the additional expenditure incurred by the Insured in excess of that recoverable under of the gross profit/gross revenue item as defined necessarily and reasonably incurred in consequence of the accident 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.

DEFINITIONS**1. Accident**

Unforeseen and sudden physical damage to the machinery described in the Schedule of insured machinery of this section from any cause as provided for under the applied electronics section of this policy issued by the Insurer (covering the item against damage) liability under which section of this policy shall except for the provision of the condition relating to the excess be a condition precedent to liability hereunder.

2. 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.

3. Gross revenue

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.

4. Gross profit: Additions basis

The sum produced by adding to the net profit the amount of all the standing charges or if there be no net profit the amount of all the standing charges less any net trading loss.

5. 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 the amount of stock purchased and the amount of the specified working expenses.

For the purpose of this definition the amounts of opening and closing stock shall be arrived at in accordance with the Insured's usual accounting methods due provision having been made for depreciation.

6. Insured standing charges: Additions basis (as stated in the Schedule)

7. Specified working expenses: Difference basis (as stated in the Schedule)

8. 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.

9. Indemnity period

The period during which the results of the business shall be affected in consequence of the accident beginning the number of hours/ days stated in the Schedule of insured machinery as the time exclusion after the occurrence of the accident and ending not later than the expiry of the period stated in the Schedule of insured machinery as the indemnity period after such occurrence.

10. Rate of gross profit

The rate of gross profit earned on the turnover during the financial year immediately before the date of the accident.

11. Annual turnover

The turnover during the 12 (twelve) months immediately before the date of the accident.

12. Standard turnover

The turnover during the period in the 12 (twelve) months immediately before the date of the accident which corresponds with the indemnity period.

13. Annual gross revenue

The gross revenue during 12 (twelve) months immediately before the date of the accident.

14. Standard gross revenue

The gross revenue during the period in the 12 (twelve) months immediately before the date of the accident which corresponds with the indemnity period.

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

SPECIFIC MEMORANDA

1. If during the indemnity period goods held shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover/gross revenue during the indemnity period.
2. In the event of the gross profit/revenue earned during the accounting period of twelve months most nearly concurrent with the period of insurance as certified by the Insured's professional accountants being less than the sum insured thereon a pro rata return of premium not exceeding 50% (fifty percent) of the premium paid on such sum insured for such period of insurance will be made in respect of the difference. Where the indemnity period exceeds 12 (twelve) months the amount of gross profit/revenue shall for the purpose of this calculation be adjusted in the proportion which the indemnity period bears to 12 (twelve) months. If any accident shall have occurred giving rise to a claim under this policy such return shall be made in respect only of so much of the said difference as is not due to such accident.
3. The Insurer shall not be liable in respect of any part of an interruption or interference due to additions, alterations or improvements being affected to the damaged Item on the occasion of its repair. The indemnity period shall be exclusive of any time deducted by virtue of this Clause.
4. 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 under Specific Condition 2 of this section for the purpose of investigating or verifying any claim hereunder may be produced by professional accountants if at the time they are regularly acting as such for the Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.
5. In the event of loss as insured by this policy payments on account will be made to the Insured during the indemnity period if desired.
6. In adjusting any loss account shall be taken and an equitable allowance made if any shortage in turnover/gross revenue due to the accident is postponed by reason of turnover/gross revenue being temporarily maintained from accumulated stocks of finished goods in warehouses or depots.
7. It is warranted by the Insured that any item or plant or machinery insured by this policy against which the word "standby" appears in the Schedule shall be maintained as standby available for immediate use in the event of the failure of the plant or machinery to which it is standby.
8. If the business be conducted in departments the independent trading results of which are ascertainable the provisions of clauses (a) and (b) of the gross profit/gross revenue item shall apply separately to each department affected by the accident except that if the sum insured by the said item be less than the aggregate of the sums produced by applying the rate of gross profit for each department of the business (whether affected by the accident or not) to the relative annual turnover thereof the amount payable shall be proportionately reduced.

Provided that any condition relating to average in the gross profit/gross revenue items shall apply to the aggregate of results of all such departments.

9. In adjusting any loss under this policy the term "output" may be substituted for the terms "turnover" if this will achieve a more equitable result, provided always that:
- a) For the purpose of such loss adjustment:
 - i) the word "turnover" wherever used in this policy shall have the word "output" substituted therefore for the purpose of this substitution. The definition of "output" shall be output: The sale or transfer value of goods manufactured or processed by the Insured in the course of the business at the premises.
 - ii) Specific memoranda 1 shall read: If during the indemnity period goods shall be produced elsewhere than at the premises for the benefit of the business either by the Insured or by others on his/or her behalf the goods so produced shall be brought into account in arriving at the output during the indemnity period.
 - b) only one such term shall be operative in connection with one occurrence.

SPECIFIC CONDITIONS

1. Discontinuation and aggravation of risk

This section shall be avoided if:

- a) the business be wound up or carried on by a liquidator or receiver or permanently discontinued, or;
- b) the Insured's interest ceases otherwise than by death, or;
- c) any alteration be made whereby the risk of accident is increased, or;
- d) the reserve machinery or other any loss minimising factors current when the insurance was effected be reduced at any time after the commencement of this insurance unless its continuance be admitted by memorandum signed by or on behalf of the Insurer.

2. Duties following an accident

On the happening of any accident in consequence of which a claim is or may be made under this section, the Insured shall give immediate notice thereof to the Insurer giving particulars and information as full as possible of the accident and shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption or interference with the business or to avoid or diminish the loss. In the event of a claim being made under this section the Insured shall not later than 30 (thirty) days after the expiry of the indemnity period or within such further time as the Insurer may in writing allow at his/or her own expense deliver to the Insurer in writing a statement setting forth particulars of his/or her claim together with details of all other insurances covering the accident or any part of it or consequential loss of any kind resulting therefrom. The Insured shall at his/or her own expense also produce and furnish to the Insurer such books of account and other business books, vouchers, invoices balance sheets, and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Insurer for the purpose of investigating or verifying the claim together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith. No claim under this section shall be payable unless the terms of this 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.

DEFINED EVENTS

Unforeseen and sudden damage to the insured machinery (or any part thereof) as stated in the schedule whilst on the premises stated in the schedule from any cause not specifically excluded for:

1. Existing machinery

- a) at work or at rest;
- b) being dismantled for the purpose of cleaning, inspection and overhaul or removal to another position or in course of these operations themselves or subsequent re-erection;
- c) at any temporary premises within the territorial limits for cleaning, overhaul, repair or other similar purpose and subsequent re-erection.

2. New machinery

- a) after the successful completion of their initial performance acceptance tests following installation and erection.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

1. Consequential loss

consequential loss or liability of any kind or description; or

2. Abnormal conditions

damage resulting from the misapplication of tools or from experiment, overhauls or tests requiring the imposition of abnormal conditions.

3. Excess

the excess to be borne by the Insured in any one occurrence stated in the Schedule. If more than one item is lost or damaged in one occurrence, the Insured shall not be called upon to bear more than the highest single excess applicable to such items;

4. Exchangeable tools

loss of or damage to exchangeable tools (for example but not restricted to dies, moulds, engraved cylinders), parts that by their use and/or nature suffer a high rate of wear and depreciation (for example, but not restricted to, refractory linings, crushing hammers), objects made of glass, belts, ropes, wires, rubber tyres, and operating media (for example but not restricted to lubricants, fuels, catalysts);

5. Fire, lightning, etc

loss or damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempts thereat, collapse of buildings, wind, storm, water, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;

6. Law or under contract

loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;

7. Faults or defects

loss or damage caused by any faults or defects within the knowledge of the Insured or his representatives existing at the time of commencement of this section, whether such faults or defects were known to the Insurer or not;

8. Wear and tear

loss or damage as a direct consequence of the continual influence of operation (for example but not restricted to wear and tear, cavitation, erosion, corrosion, rust, boiler scale).

BASIS OF INDEMNITY**1. Partial loss**

Where damage to the insured property can be repaired, the Insurer will pay the expenses necessarily incurred to restore the damaged insured property to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent that such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the Insured, the Insurer shall pay the costs of materials and wages incurred for the purposes of the repairs plus a reasonable percentage to cover overhead charges.

No deduction shall be made for depreciation in respect of the parts replaced, but the value of any salvage shall be taken into account if the cost of repairs equals or exceeds the actual value of the insured property immediately before the occurrence of the damage, the property shall be regarded as destroyed and settlement shall be made on the basis provided for in (2) below.

2. Total loss

- a) If equipment not exceeding 3 (three) years from date of manufacture is totally damaged, the basis of calculating the amount payable shall be the cost of replacing or reinstating the equipment with equipment of the same kind or type but not superior to or more extensive than the insured equipment when new, including freight and erection costs, customs duties and the cost of removing the destroyed equipment less the value of the remains subject to Provisos (i), (ii) and (iii).

- b) If equipment exceeding 3 (three) years from date of manufacture is totally damaged, the basis of calculating the amount payable shall be the cost of replacement at market value and the cost of removing the destroyed equipment less the value of any salvage subject to Provisos (i), (ii), (iii), (iv) and (v).

The insured item shall be regarded as totally damaged if the repair costs (as defined under partial loss) equal or exceed the value as defined in 2 (b) above immediately before the insured event, provided that:

- i) the cost of any alterations, additions, improvements or overhauls carried out at the time of repair shall not be recoverable;
- ii) the cost of any provisional repairs shall be borne by the Insurer if such repairs constitute part of the final repairs and do not increase the total cost of repairs;
- iii) the Insurer shall make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be;
- iv) the work of replacement or reinstatement (which may be carried out at other premises and in any manner suitable to the requirements of the Insured subject to the liability of the Insurer not being thereby increased) must be commenced and carried out with reasonable despatch, failing which no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made; and
- v) In either event (i) or (ii) the amount claimable shall not exceed the amount specified in the machinery insurance Schedule.

DEFINITIONS

For the purposes of this section the following expressions mean:

1. Damage

shall mean any accidental, unforeseen and sudden physical loss or damage to the Insured Machinery from any cause not otherwise excluded and that necessitates replacement or repair of the Insured Machinery to ensure its continued operation.

2. Insured machinery

shall mean the machines (or any parts thereof) described in the schedule and cover is restricted to such machinery.

3. Insured property

shall mean the property described in the Schedule of this section under the heading "Description of insured property".

4. Market value

shall mean the purchase price as determined at the date of the Damage of secondhand or used machinery of the same kind or type and of equal performance and/or capacity (but not superior to or more extensive than the Insured Machinery) in a substantially similar condition to the Insured Machinery immediately prior to the Damage. Where no similar machine is available, Market Value shall be calculated by deducting from the current New Replacement Value of the Insured Machinery, a reasonable amount as determined by the Insurer for depreciation.

5. New replacement value

shall mean the amount necessary for replacing or reinstating the Insured Machinery on the Premises with brand new machinery of the same kind or type and of equal performance and/or capacity but not superior to or more extensive than the Insured Machinery including all associated costs such as:

- a) reasonable installation and testing costs on the Premises;
- b) any normal freight costs;
- c) any customs duties.

6. Partial loss

shall mean that the Insured Machinery can if so determined by the Insurer, be repaired to a working order and condition similar to that which existed immediately prior to the Damage, provided the repair costs do not exceed the Market Value of the Insured Machinery.

7. Premises

shall mean the premises being the situation of which is stated in the Schedule of this section.

8. Salvage

shall mean the remains of damaged Insured Machinery after a Total Loss, ownership of which reverts to the Insurer upon settlement of a claim in terms of this section.

9. Total loss

shall mean that the Insured Machinery is totally destroyed or destroyed to an extent that the repairs described under Partial Loss exceed the Market Value. At the sole option of the Insurer the Insured Machinery can be declared as a Total Loss in other circumstances where it is economically viable for the Insurer do so provided that the Insured is not financially prejudiced by such decision.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Equipment in the open

Cover is restricted to Insured Machinery whilst in the building(s) stated in the schedule unless disclosed and noted in the schedule to the contrary and provided further that such Insured Machinery is designed to operate in the open.

2. Machinery used underground

Cover is restricted to Insured Machinery whilst in the building(s) stated in the schedule unless disclosed and noted in the schedule to the contrary and provided further that such Insured Machinery is designed to operate underground.

3. Mobile machinery

Cover is restricted to Insured Machinery whilst in the building(s) stated in the schedule unless disclosed and noted in the schedule to the contrary that the Insured Machinery is mobile.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule.

1. Alternative replacement (design capacity)

In the event of Damage resulting in a Total Loss and it is not possible to replace such Insured Machinery with machinery that has an equivalent measurable function, capacity or output then the Insurer will pay the cost of replacing such machinery with machinery the quality, capacity, function or output of which is as near as possible but not inferior to that of the original property, provided that:

- a) The Insured Amount as stated in the schedule shall remain the maximum amount payable by the Insurer;
- b) The Average condition calculation will be amended so that the value of the Insured Machinery will be based on the installed New Replacement Value of the alternative machinery agreed upon in the claim.

2. Capital additions

This section covers alterations, additions and improvements (but not appreciation in value in excess of the insured amount) to the Insured Machinery for an amount not exceeding the percentage (%) reflected in the schedule of the Insured Amount under the applicable item provided that:

- a) the Insured advises the Insurer each quarter (or each month if the premium is paid monthly by debit order) of such alterations, additions and improvements and pays any additional premium thereon;
- b) the protection provided under this clause for any newly acquired or installed machinery is restricted to machinery of a like nature to the existing Insured Machinery;
- c) the protection provided under this clause for any newly acquired or installed machinery only starts after the initial performance acceptance tests have been successfully completed;
- d) all protection under this clause for alterations, additions and improvements made in the quarter (or the month if the premium is paid monthly by debit order) ceases at the end of the quarter (or at the end of the month if the premium is paid monthly by debit order) if a formal instruction to amend the schedule to include such changes has not been received by the Insurer by the end of the quarter (or the end of the month if the premium is paid monthly by debit order).

3. Express delivery and overtime

The insurance under this section covers extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight), provided that:

- a) such extra charges are incurred in connection with damage to the insured property recoverable under this section;
- b) the amount payable in respect of this extension shall not exceed the sum insured set opposite the applicable item and not exceeding in all the total sum insured stated in the Schedule of this section.

4. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions, Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

SPECIFIC CONDITIONS

1. Claims

On the happening of any damage:

- a) the Insured shall in addition to complying with General Condition 21 of this policy:
 - i) take all reasonable steps to minimise the extent of such damage; and
 - ii) preserve any damaged or defective parts for inspection by the Insurer.
- b) On notification being given to the Insurer in terms of General Condition 7 of this policy, the Insured may carry out the repairs replacement of any minor damage; in all other cases a representative of the Insurer shall have the opportunity of inspecting the loss or damage before any repairs or replacements or alterations are effected. If a representative of the Insurer does not carry out the inspection within a period of time that could be considered adequate under the circumstances, the Insured is entitled to proceed with the repairs or replacement.
- c) The liability of the Insurer under this section in respect of the insured property shall cease if such insured property is kept in operation after a claim without being repaired to the satisfaction of the Insurer, or if temporary repairs (other than in terms of 3 (b) above) are carried out without the Insurer's consent.

2. Due observance

The due observance and fulfilment of the terms of this section and of this policy in so far as they relate to anything to be done or complied with by the Insured shall be a condition precedent to any liability of the Insurer.

3. Excess(es)

Claims under this section are subject to the excess as stated in the schedule against each Insured Machinery item. If more than one item of Insured Machinery stated in the schedule is damaged in one occurrence, the Insured shall not be called upon to bear more than one excess provided that the highest excess of those damaged insured items will apply to the total claim.

4. Loss prevention and minimisation

The Insured shall, in addition to complying with General Condition 21 of this policy:

- a) take all reasonable steps to maintain the insured property in efficient working order and to ensure that no part of the insured property is habitually or intentionally overloaded;
- b) comply with the manufacturers' instructions for operating, inspection and maintenance of the Insured Machinery;
- c) ensure the operators and maintenance staff of the Insured Machinery are sufficiently trained and qualified;
- d) comply with any government, statutory, municipal and all other binding regulations in force concerning the safe operation and maintenance of the Insured Machinery. A breach of this condition shall not affect any claim payment unless such breach caused the Damage or increased the amount of the Damage.

5. Material alterations

In the event of any material alteration in the risk undertaken by the Insured, the Insured shall as soon as possible give notice in writing to the Insurer. The premium, terms and conditions shall thereupon be subject to adjustment accordingly. Any claim in respect of loss or damage that may arise before such notice is given shall be handled in accordance with the Insurer's normal conditions, exceptions and excess for risks of a similar nature, provided the Insured agrees to pay the increased premium that may be required in respect of the altered risk.

Examples of such changes may include but are not limited to:

- a) alterations, additions or modifications to the Insured Machinery;
- b) departure from existing operating conditions or recommended operating conditions of the manufacturer or supplier of the Insured Machinery;
- c) changes in maintenance frequencies, the scope of maintenance activities or the use of unqualified or under qualified maintenance staff or operators.

6. Risk inspection

Representatives of the Insurer shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Insurer with all details and information necessary for the assessment of the risk.

7. Service contract

If a maintenance or service contract is a requirement of cover and stated in the schedule, it is a condition that such contract is to remain in force unless notified to the Insurer in writing beforehand that the contract is going to be cancelled or replaced.

8. Sum insured and average

Irrespective of the age of the Insured Machinery, it is a requirement of this section that the insured amount(s) is/are at all times equal to the New Replacement Value of the Insured Machinery plus the removal costs of damaged Insured Machinery.

If the insured amount is less than the amount required to be insured, the Insurer shall pay only in such proportion as the insured amount bears to the amount required to be insured in terms of this condition. Every item (if more than one) shall be separately subject to this condition.

SPECIFIC WARRANTY (IF STATED IN THE SCHEDULE TO BE APPLICABLE)

1. Warranty for maintenance contract

It is agreed and understood that a maintenance contract has to be in force during the period of insurance. Maintenance as used in this clause is understood to mean the following:

- a) safety checks;
- b) preventative maintenance; and
- c) rectification of loss or damage or faults arising from normal operation as well as from ageing, for example by repair or replacing of modules, sections, assemblies and components.

Costs of such maintenance work are not insurable.

DEFINED EVENTS

If during the period of insurance any of the machinery and plant used by the Insured at the premises for the purpose of the business is affected by an accident and the business carried on by the Insured at the premises is in consequence thereof interrupted or interfered with, the Insurer will (subject to the exceptions and conditions of this section and of this policy) pay to the Insured as indemnity in respect of item 1 mentioned under the heading "Subject matter insured" in the Schedule of this section, the amount of the loss resulting from the aforesaid interruption or interference in accordance with the provisions contained in Appendix 1 of this section, provided that:

1. the machinery and plant shall during the currency of this section be insured against machinery breakdown; and
2. the liability of the Insurer in respect of the aforementioned item 1, shall in no case exceed the sum insured stated in respect of such item 1 in the Schedule of this section.

SPECIFIC EXCEPTIONS

This section does not cover any loss or claim resulting from interruption of or interference with the business of whatsoever nature (including but not limited to destruction, deterioration, damage to raw materials, semi-finished or finished products even if the consequence of Damage to Insured Machinery) other than as provided for under loss of Gross Profit as provided under this section.

GROSS PROFIT: DIFFERENCE BASIS (IF STATED AS INCLUDED IN THE SCHEDULE)

Loss following interruption of or interference with the Business in consequence of Damage to the Insured Machinery reflected in the schedule under this item but limited to loss of Gross Profit due to:

1. reduction in Turnover; and
2. increase in cost of working;

and the amount payable as indemnity hereunder shall be:

1. in respect of reduction in Turnover

the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover;

2. in respect of increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided;

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the Business payable out of Gross Profit as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the insured amount 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.

GROSS PROFIT: ADDITIONS BASIS (IF STATED AS INCLUDED IN THE SCHEDULE)

Loss following interruption of or interference with the Business in consequence of Damage to the Insured Machinery reflected in the schedule against this item but limited to loss of Gross Profit due to:

1. reduction in Turnover; and
2. increase in cost of working;

and the amount payable as indemnity hereunder shall be:

1. in respect of reduction in Turnover

the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover;

2. in respect of increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for that expenditure, would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate of Gross Profit to the amount of the reduction thereby avoided;

less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the insured amount 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.

ADDITIONAL INCREASE IN COST OF WORKING ITEM (IF STATED AS INCLUDED IN THE SCHEDULE)

This insurance is limited to the additional expenditure incurred by the Insured in excess of that recoverable under Gross Profit as defined necessarily and reasonably incurred in consequence of the accident 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.

1. Claims or possible claims

On the happening of any occurrence that may result in a claim under this section, the Insured shall, notwithstanding General Condition 7:

- a) immediately notify the Insurer by telephone or telegram of the aforesaid occurrence and send the Insurer written confirmation thereof within 48 (forty-eight) hours after the aforesaid occurrence;
- b) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimise or establish the extent of any interruption of or interference with the business or to avoid or diminish the loss resulting therefrom;
- c) as far as may be reasonable practicable without causing any increase in the period of interruption or interference with the business, take precautions to preserve any things that might prove necessary or useful by way of evidence in connection with any claim; and
- d) discontinue the use of any damaged machinery and plant unless the Insurer authorised otherwise, and the Insurer shall not be liable in respect of any further interruption or interference with the business arising out of the continued use of any damaged machinery and plant without the Insurer having given its consent in writing to such use until the aforesaid machinery and plant have been repaired to the satisfaction of the Insurer.

In the event of a claim being made under this section the Insured shall, not later than 30 (thirty) days after the expiry of the indemnity period, or within such further time as the Insurer may allow in writing, at their own expense deliver to the Insurer:

- a) 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;
- b) such books of account and other business books, documents, proofs, information, explanation and other evidence as may be reasonably required by the Insurer for the purpose of investigating or verifying the claim, together with (if required) a statutory declaration regarding the truth of the claim and of any matters connected with the claim.

If at the time of any accident resulting in a loss insured against under this section there be any other insurance effected by or on behalf of the Insured covering the same loss or any part thereof, the Insurer shall not be liable to pay or contribute more than its rateable proportion of any sum payable in respect of the whole of such loss, provided that the Insurer shall not be liable to pay for or contribute to any loss that is insured by or would but for the existence of this section be insured by any business interruption or loss of profits or consequential loss policy or policies covering marine risks or fire and/or explosion risks.

The total amount of the indemnity that is provided under this section shall be payable two weeks after the final determination of such amount. If after the expiry of one month since the beginning of an interruption of or interference with the business and after the expiry of each further month it is possible to determine the minimum amount that the Insurer is liable to pay in respect of the then elapsed period of the aforesaid interruption or interference, the Insured shall be entitled to demand that the aforesaid minimum amount be paid to the Insured as an instalment in respect of the total amount of the indemnity that is provided under this section, provided that:

- a) the Insurer shall be entitled to postpone any payment,
 - i) if there is any doubt as to the Insured's right to receive payment until the necessary proof is furnished; or
 - ii) if, as a result of any physical damage to, interruption of or interference with the business, any police or penal investigation has been initiated against the Insured, until the completion of such investigations; and
- b) the Insurer shall not be liable to pay interest other than interest for default.

In the event of an accident to any machinery and plant that may result in a claim under this section, the Insurer shall have the right to take over and control all necessary repairs or replacements.

On the happening of any occurrence in respect of which a claim is or may be made under this section, the Insurer and every person authorised by the Insurer (without thereby incurring any liability and without diminishing the right of the Insurer to rely upon any other conditions of this policy) may enter any building where the loss has happened and may take possession of any machinery and plant, or require that any of the machinery and plant be surrendered to them, and may keep possession of and deal with such machinery and plant for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and license of the Insured to the Insurer to do so. If the Insured or anyone acting on their behalf does not comply with the requirements of the Insurer or hinders or obstructs the Insurer during the aforementioned acts, then all benefit under this section shall be forfeited.

No claim under this sub-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.

2. Complete records

The Insured shall be obliged to keep complete records. All records (for example, but not limited to, inventories, production and balance sheets) for the three preceding years shall be held in safe-keeping or (as a precaution against their being simultaneously destroyed) the Insured shall keep separate sets of such records.

3. Due observance

The due observance and fulfilment of the terms of this section and of this policy insofar as they relate to anything to be done or complied with by the Insured shall be a condition precedent to any liability of the Insurer.

4. Material alterations

The Insured shall as soon as possible notify the Insurer in writing of any material change in the risk and cause at his own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.

5. Reasonable care and loss prevention

The Insured shall exercise all reasonable care:

- a) in the selection of employment and supervision of all employees;
- b) in the prevention of any Damage;
- c) in ensuring compliance with any statutory regulations and manufacturer's recommendations.

6. Risk inspection

Representatives of the Insurer shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Insurer with all details and information necessary for the assessment of the risk;

7. Standby machinery and dependency percentages

Where in the schedule next to any Insured Machinery it indicates that:

- a) there is Standby Machinery, it is a condition that such Standby Machinery is to be retained in a fully operational condition ready to take over the function of the damaged Insured Machinery to which it relates. If such Standby Machinery is not maintained in an efficient working condition and available for immediate use or if conditions or circumstances change that would prevent or reduce the effectiveness of such Standby Machinery then this is to be communicated to the Insurer in writing immediately this becomes known to the Insured;
- b) there is a Dependency Percentage of less than 100% (one hundred percent), it is a condition that any change in this percentage be communicated to the Insurer in writing immediately this becomes known to the Insured.

The Insurer reserves the right to amend the premium charged or terms and conditions (including the continuance) of the insurance under this section in these circumstances.

DEFINITIONS

1. Annual turnover

shall mean the Turnover during the twelve months immediately before the date of the Damage to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage. If the Damage occurs before the completion of the first year's trading of the Business at the Premises, the value shall be calculated by using values proportionate to the results obtained during the period between the commencement of the Business and the date of Damage.

2. Accident

shall mean any unforeseen and sudden fortuitous physical damage to the machinery and plant necessitating its immediate repair or replacement due to causes such as but not restricted to defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, malice, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit, storm, or any other cause not specifically excluded whilst such machinery and plant are:

- a) working or at rest; or
- b) being dismantled, moved, or re-erected for the purpose of cleaning, inspection, repair or installation at another location within the premises, provided such machinery and plant have successfully completed its acceptance tests.

3. Business

shall mean the Insured's business as stated in the Schedule of this section.

4. Damage

shall mean Damage as defined under sub-section A but restricted to Damage in respect of which payment has been made or liability admitted by the Insurer under sub-section A of this section. For the purposes of this definition, liability shall be deemed to have been admitted under sub-section A if such payment is precluded solely because the Insured is required to bear the first portion of the loss in the form of an excess.

5. Dependency percentage

shall mean as stated in the schedule next to each item of Insured Machinery shall mean that the Insured has declared that, as an approximation, the generation of the stated Gross Profit insured amount is dependent on such item of Insured Machinery to the extent of such stated percentage.

6. Gross profit: Additions basis

shall mean the sum produced by adding to the Net Profit the amount of the Insured Standing Charges or, if there is no Net Profit, the amount of the Insured Standing Charges less such proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the standing charges of the Business.

7. Gross profit: Difference basis

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

8. Indemnity period

shall mean the period during which the results of the Business shall be affected in consequence of the Damage beginning after the No Claim Period and ending not later than the number of months thereafter stated in the schedule under the Indemnity Period.

9. Insured Machinery

shall be restricted to the machines (or any parts thereof) described in the schedule.

10. Insured standing charges

shall mean the charges of the items as specified in the schedule (the words and expressions used shall have the meaning usually given to them in the books of account of the Insured).

11. Net profit

shall mean 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.

12. No claim period

shall mean the initial period as stated in the schedule following the Damage during which the Insurer shall not be liable for any loss of Gross Profit relating to such period.

13. Other premises

shall mean if during the indemnity period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover during the indemnity period.

14. Premises

shall mean the situation stated in the Schedule of this section.

15. Rate of gross profit

shall mean the rate of Gross Profit earned on the Turnover during the financial year immediately before the date of the Damage to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations or other circumstances affecting the Business either before or after the Damage or which would have affected the Business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage. If the Damage occurs before the completion of the first year's trading of the Business at the Premises, the value shall be calculated by using values proportionate to the results obtained during the period between the commencement of the Business and the date of Damage.

16. Standard turnover

shall mean the Turnover during that period in the 12 (twelve) months immediately before the date of the Damage which corresponds with the Indemnity Period to which such adjustments shall be made as may be necessary to provide for the trend of the Business and for variations or other circumstances affecting the occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage. If the Damage occurs before the completion of the first year's trading of the Business at the Premises, the value shall be calculated by using values proportionate to the results obtained during the period between the commencement of the Business and the date of Damage.

17. Standby machinery

shall mean as stated in the schedule next to each item of Insured Machinery shall mean that the Insured has declared that standby machinery is in existence and is operational and ready to take over the function of such Insured Machinery item in the event of Damage.

18. Turnover

shall mean 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.

19. Uninsured costs

shall mean the costs of the items specified in the schedule (the words and expressions used shall have the meaning usually attached to them in the books of account of the Insured).

LOSS SETTLEMENT MEMORANDA

1. If any standing charges of the Business are not insured under this section, then in computing the amount recoverable hereunder as increase in cost of working, that proportion only of the additional expenditure shall be brought into account which the sum of the Net Profit and the Insured Standing Charges bears to the sum of the Net Profit and all the standing charges. This memorandum shall apply to Gross Profit: Additions Basis only.
2. If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the insured Premises for the benefit of the Business either by the Insured or by others on his behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.
3. In the event of any interruption, following Damage, being aggravated or prolonged by:
 - a) the Insured being unable or unwilling to replace or reinstate destroyed or damaged Insured Machinery, or failing to carry out such replacement or reinstatement within a reasonable time;
 - b) addition, alteration, overhaul, servicing or improvements being effected to the Insured Machinery on the occasion of its repair following Damage,
 - c) lack of capital or inability to raise capital by the Insured to fund any large first amounts payable or underinsurance average calculations under the Machinery Breakdown section resulting in delays or the prevention of the repair or replacement of damaged Insured Machinery;
 - d) any restrictions on reconstruction methods imposed by any public authority;
 - e) any gazetted law of the Republic of South Africa, including any exchange control regulation, directed against any other country;
 - f) any law of a foreign country or international law directed against the Republic of South Africa;
 - g) any economic sanctions, conventions, trade embargoes, boycotts, strikes or actions directed against the Republic of South Africa;the Insurer's liability under this sub-section shall be restricted solely to the business interruption which would have arisen in the absence of the above circumstances.
4. If the Insured shall hold a salvage sale during the Indemnity Period, the reduction in Turnover part of the wording of the Gross Profit item shall, for the purposes of such claim, read as follows:

In respect of reduction in Turnover

the sum produced by applying the Rate of Gross Profit to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the Standard Turnover, from which sum shall be deducted the Gross Profit actually earned during the period of the salvage sale.

5. If during a period of 6 (six) months immediately following the recommissioning of the Insured Machinery and plant after Damage the Insured derives benefit from deferred sales or from increased production and/or profits as a consequence of an interruption of or interference with the Business, such benefits shall be taken into account in determining the amount payable as indemnity under this section.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Accumulated stocks

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

2. Benefits after recommissioning

If during a period of 6 (six) months immediately following the recommissioning of the machinery and plant after an accident the Insured derives benefit from deferred sales or from increased production and/or profits as a consequence of an interruption of or interference with the business, such benefits shall be taken into account in determining the amount payable as indemnity under this section.

3. Departmental

If the Business is conducted in departments or branches, the independent trading results of which are ascertainable, the provisions under Gross Profit relating to reduction in Turnover and increase in cost of working, shall apply separately to each department or branch affected by the Damage, except that if the insured amount by the relative item is less than the aggregate of the 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) months), the amount payable shall be proportionately reduced.

4. Output (alternative basis)

At the option of the Insured, the term "output" may be substituted for the term "Turnover" and, for the purposes of this sub-section, output shall mean the sale or transfer value, as shown in the Insured's books, of goods manufactured or processed by the Insured at the Premises, provided that:

- a) only the meaning of output or the meaning of Turnover shall be operative in connection with any one event resulting in interruption;
- b) if the meaning of output be used:
 - i) then the accumulated stocks clause shall be inoperative;
 - ii) then memorandum 2 under "loss settlement memoranda" shall read:

If, during the Indemnity Period, goods shall be manufactured or processed other than at the Premises for the benefit of the Business either by the Insured or by others on behalf of the Insured, the sale or transfer of such goods shall be brought into account in arriving at the output during the Indemnity Period.

5. Overhauls

In determining the amount payable as indemnity under this section, due allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption of or interference with the business.

6. Reinstatement of sum insured

For the period following the occurrence of an accident up to the last day of any (annual) period of insurance, the sum insured under this section shall be reinstated by payment of an additional premium on a pro rata basis, such additional premium to be calculated on that part of the aforesaid sum insured that corresponds to the amount paid as indemnity under this section. The sum insured shall, however, remain unaltered.

7. Return of premium

If the Insured declares at the latest 6 (six) months after the expiry of any (annual) period of insurance that the gross profit earned during the accounting period of 12 (twelve) months most nearly concurrent with the aforesaid (annual) period of insurance, as certified by the Insured's auditors, was less than the sum insured thereon, a pro rata return of premium, not exceeding one third of the premium paid on such sum insured for such (annual) period of insurance, shall be made in respect of the difference. If any accident has occurred giving rise to a claim under this section, the aforesaid return shall be made in respect only of so much of the aforesaid difference as is not due to such accident.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Deposit premium

If in the schedule next to deposit premium the percentage is less than one hundred percent then this shall mean that the premium charged by the Insurer is provisional and is temporarily discounted in that the premium is multiplied by the percentage stated in the schedule until the actual Gross Profit earned for the period of insurance is known.

In such case at the expiry of each period of insurance (or after twelve consecutive months from the inception date or anniversary date if this policy is paid by monthly debit order) the Insured shall declare the actual Gross Profit earned as certified by the Insured's auditors (increased proportionately if the number of months referred to in the definition of Indemnity Period exceeds 12 (twelve) months) during the financial year most nearly concurrent with the period of insurance (or the equivalent twelve consecutive months from the inception date or anniversary date if this policy is paid monthly by debit order).

A pro rata refund or additional premium for such past period of insurance will be made based on the actual Gross Profit earned but without the percentage mentioned above being applied provided that if the actual Gross Profit earned exceeds the insured amount, any additional premium due to the Insurer shall be calculated on the insured amount.

In the event of a claim being made under Gross Profit, the maximum amount payable shall be restricted to the insured amount stated in the schedule notwithstanding any declaration being made that exceeds the insured amount.

DEFINED EVENTS

Deterioration of stock caused by unforeseen physical loss of or damage (not otherwise excluded) to cold rooms stated under the machinery breakdown section of the policy.

DEFINITIONS**1. Cold Rooms**

shall mean any receptacle including but not limited to cold rooms, fridges and freezers (and their motors, compressors, pumps, fans, condensers, controlling and monitoring apparatus or any other equipment forming an integral part of the receptacle necessary for its proper operation) on the premises where such receptacles have the capability of regulating or maintaining a constant temperature so as to prevent deterioration of the insured stock.

2. Controlled atmosphere chambers

shall mean a cold room that also regulates the mixture or concentration of gases.

3. Deterioration

shall include deterioration, putrefaction or contamination of stock resulting in it no longer being fit for human consumption or for its intended function or purpose.

4. Premises

shall be restricted to the address as described in the Schedule of this section.

5. Stock

shall mean contents as stated in the Schedule, the property of the Insured or for which the Insured is legally liable for whilst in cold rooms on the premises.

6. Waiting period

shall mean the time period immediately following cessation or interruption of cooling during which, with the cold room left sealed, no deterioration would take place.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable for:

1. loss arising within the waiting period stated in the Schedule, unless deterioration is caused by contamination as a result of leakage of the refrigerant or by accidental freezing of goods or unless fresh goods that have not yet reached the prescribed refrigeration temperature are affected thereby;
2. loss to the goods stored arising as a result of shrinkage, inherent defects or diseases, natural deterioration or natural putrefaction;
3. loss arising from improper storage, damage to packing material, insufficient circulation of air, non-uniformity of temperature;
4. loss caused by temporary repair to the cold rooms carried out without the Insurer's consent;
5. penalties for delay, consequential loss or damage or liability of any nature whatsoever; or
6. loss or damage directly or indirectly caused by, or arising out of, or aggravated by,
 - a) the wilful act or wilful negligence of the Insured or his representatives;
 - b) fire, lightning, chemical explosion, extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempts thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslip, avalanche, hurricane, cyclone, volcanic eruption or other natural catastrophes.

SPECIFIC CONDITIONS

1. At the time of the loss or damage the stock must have been stored in the cold rooms or controlled atmosphere chambers. At the time of the loss or damage the stock must have been stored in the cold rooms.
2. The insured amount is to be based on the estimated maximum selling price obtainable for the stock based on the maximum stock that will be stored in the cold room(s) at any one time during the period of insurance. The responsibility shall remain with the Insured during the period of insurance to notify the Insurer in writing should an increase in the insured amount be required due to stock levels exceeding the insured amount. Declarations received as set out hereunder exceeding the insured amount shall not be considered a formal request to increase the insured amount.
3. The Insured shall declare to the Insurer in writing the value of their stock in cold rooms on the last day of each month and shall make such declaration within 30 (thirty) days thereof. Should no declaration be received by the Insurer for a particular month, for the purposes of the calculation in 5 below, the Insurer will use the insured amount as having been deemed declared.
4. After each period of insurance (or after twelve consecutive months from the inception date or anniversary date if the policy is paid by debit order on a monthly basis), the premium shall subject to 6 below be re-calculated on the average declared amount, namely the total of the values declared or deemed to have been declared, divided by the number of declarations due to have been made. If the resultant premium differs from the premium paid, the difference shall be refunded to the Insured but the amount of the refund shall not exceed 50 (fifty) percent of the premium originally paid.

5. Any declaration received exceeding the insured amount shall be noted in the books of the Insurer as being limited to the insured amount as stated in the Schedule for determining the average declared amount as set out in 4 above. Premium shall not be payable on that part of any declaration that is in excess of the insured amount.
6. The Insurer shall in the event of a loss, irrespective of the value of any declarations received, not be liable for more than the insured amount as stated in the Schedule.
7. The Insured is to maintain up to date records (stock book) in which the type, quantity and value of the stock stored in each cold room is entered.
8. Stock book copies and monthly declarations shall be regarded as forming an integral part of this policy.
9. All claims shall be settled on the basis of the value stated in the monthly declaration immediately prior to the occurrence of the loss or the selling price that would have been obtainable, whichever is the lesser. When determining the indemnity, the Insurer shall take into consideration all circumstances that may influence the amount of indemnity, such as proceeds from a sale of goods as well as storage costs saved due to the termination of the storage.

If after the occurrence of a partial loss it is found that the last monthly declaration preceding the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said last monthly declaration bears to the amount that ought to have been declared.
10. Where such deterioration necessitates by law destruction and disposal of the stock prior to the Insurer being able to investigate any claim, a certificate of condemnation must be obtained by the Insured from the appropriate local authority for such stock to be destroyed.
11. In cases where deterioration is alleged to have impaired the value of the stock, reasonable proof of impairment of value must be submitted by the Insured in respect of such stock.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Decontamination of cold stores

It is agreed and understood that, otherwise subject to the terms, exclusions, provisions and conditions contained in the policy, the Insurer will indemnify the Insured for the costs incurred for the cleaning and decontamination of the cold storage spaces following indemnifiable damage. The amount payable under this extension in respect of any one occurrence shall not exceed the amount stated in the Schedule.

2. Disposal of condemned goods

It is agreed and understood that, otherwise subject to the terms, exclusions, provisions and conditions contained in the policy, the Insurer will indemnify the Insured for the costs of:

- a) obtaining a condemnation certificate issued by an environmental health officer as proof of loss in respect of any indemnifiable claim; and
- b) the disposal of goods for which a condemnation certificate has been issued as a result of an indemnifiable claim;

provided that:

The amount payable under this extension in respect of any one occurrence shall not exceed the amount stated in the Schedule.

3. Failure of public power supply

It is agreed and understood that, otherwise subject to the terms, exclusions, provisions and conditions contained in the policy, the Insurer will indemnify the Insured for any deterioration or putrefaction occurring as a result of any failure of the public power supply, provided that:

- a) electricity is fed from an interconnected public power supply network (grid or ring system);
- b) the delivery point of electricity (the point from which the transmission and handling of the electricity becomes the responsibility of the Insured) is specified in the policy; and
- c) the failure of the public power supply lasts for an uninterrupted period lasting longer than the duration of hours stated in the Schedule.

Irrespective of any contributing causes, the Insurer shall, however, not be liable for deterioration or putrefaction occurring as a result of:

- a) scheduled interruptions of the public power supply; or
- b) interruption of electricity due to shortage of primary energy at the power stations.

4. Increase in cost of working

It is agreed and understood that, otherwise subject to the terms, exclusions, provisions and conditions contained in the policy, the Insurer will indemnify the Insured for the additional expenditure necessarily and reasonably incurred as a direct consequence of the accident (including costs incurred in obtaining alternative storage facilities for the insured property) wholly and exclusively incurred for the purpose of preventing or minimising damage to the insured property not exceeding the amount that would otherwise have been indemnifiable under the defined events, and the Insurer will not be responsible for more than the amount stated in the Schedule for any one event, provided that:

- a) other than the case of the accidental escape of refrigerant, the accident shall cause a fluctuation in temperature in the refrigeration chambers;
- b) the Insurer shall have the benefit of any saving in expenditure as a result of the damage; and
- c) the amount payable under this extension in respect of any one occurrence shall not exceed the amount stated in the Schedule.

5. Refrigerant contamination

It is agreed and understood that, otherwise subject to the terms, exclusions, provisions and conditions contained in the policy, the Insurer will indemnify the Insured for any deterioration or putrefaction occurring as a result of the action of refrigerant fumes which have escaped from the unit. The no-claim period stated in the Schedule shall apply to this extension.

OPTIONAL CONDITIONS

If stated in the Schedule to be applicable, cover is conditional on compliance with:

1. Automatic alarm system

It is a condition that the cold rooms are connected to an automatic alarm system that:

- a) is constantly monitored so that a person can provide an alert should the temperature deviate from the acceptable parameters; or
- b) sends an automated alert to at least one of the Insured's permanent employees should the temperature deviate from the acceptable parameters.

2. Constant supervision

The insured refrigeration machinery is under constant supervision by qualified personnel.

3. Full back-up equipment

It is a condition that the Insured is to keep a full supply of any operating parts and components that are subject to wear and tear, breakdown or that need periodic servicing and replacement if such parts are not readily available locally or would normally take longer than the waiting period to obtain.

4. Standby generator

It is a condition that a standby generator which automatically starts when there is a failure of the electrical power supply is to be installed on the premises. It is warranted that such generator is to be tested at least every two weeks and full detailed results of such tests are to be kept and made available to the Insurer upon request.

5. Temperature measurements

It is a condition that during the entire period of storage, the Insured is to record in a logbook the condition of the insured stock and at least three temperature readings per day from each cold room.

6. Verification of cold room temperature monitoring devices

It is a condition that the accuracy of temperature monitoring devices used by the Insured is to be verified by means of a calibrated, independent reference thermometer at least every 14 (fourteen) days.

SECTION A – MATERIAL DAMAGE TO ALL INSURED PLANT AS DEFINED**DEFINED EVENTS**

Loss of or physical damage to the plant insured during the period of insurance by:

1. malicious damage as defined in the Special Conditions of this section;
2. the deliberate or wilful or wanton act of any person in the course of theft or any attempt thereat; or
3. any other cause or in any circumstances not excluded from this insurance.

BASIS OF SETTLEMENT OF LOSS

In the event of loss or damage the basis of settlement shall be:

1. Partial loss or damage

Where the plant can be repaired the basis is the cost reasonably and necessarily incurred to restore it to its state of serviceability immediately prior to the occurrence of the loss or damage but not exceeding the applicable total loss settlement; or

2. Total loss (new replacement value basis of indemnity)

Where the cost of repair of partial damage equals or exceeds the actual value of the plant immediately prior to the occurrence of the loss or damage such plant shall be regarded as a total loss and the basis is the said actual value which shall be calculated as its new replacement value less deduction for usage and salvage and shall include:

- a) extra costs incurred for:
 - i) expediting expenses, express freight/delivery charges including air freight (if any);
 - ii) tax, customs duties and dues (if any); and
 - iii) overtime, night work, work on Sundays and public holiday rates of pay/wages necessarily incurred,provided that:

such extra costs shall not exceed 50% (fifty percent) of the reasonable cost of repair, replacement or reinstatement prior to the addition of such expenses, charges or rates of pay;
- b) establishment and supervisory charges incurred in connection with repair, reinstatement or replacement;
- c) costs incurred in the removal of debris, dismantling or demolition, shoring or propping up of any part of the plant or in protecting the insured plant against imminent further loss or damage or in minimising such loss or damage;
- d) professional fees incurred in connection with the repair, reinstatement or replacement of the insured machinery/vehicle/plant and/or dismantling or demolition, shoring or propping up (but not fees incurred in connection with the preparation of a claim);
- e) fire brigade charges and the cost of restoring fire extinguishing equipment;
- f) costs reasonably and necessarily incurred by the Insured in removal to the nearest repairers and cost of re-delivery to the site where the loss or damage occurred; or

3. Market value (basis of indemnity)

In cases where the sum insured is stated in the Schedule as being market value, then the basis of loss settlement/indemnification shall be as follows:

- a) In cases where partial damage to an insured item, as listed on the Schedule or otherwise agreed, can be repaired, the Insurer will pay for the reasonable cost of restoration to working order as existing immediately prior to the occurrence of loss or damage. Parts exchanged or replaced shall be used parts.

The Insurer will limit the proportion to 10% (ten percent).
- b) In the event of a total loss or where the cost of the partial damage exceeds or equals the market value of the plant immediately prior to the occurrence of the total loss or damage, the item of plant shall be regarded as a total loss and the basis of settlement/indemnification shall be calculated as the market value of the insured item.
- c) The Insurer will include extra costs incurred for:
 - i) expediting expenses, express freight/delivery charges including air freight (if any);
 - ii) tax, customs duties and dues (if any);
 - iii) overtime, night work, work on Sundays and public holiday rates of pay/wages necessarily incurred;provided that:

such extra costs shall not exceed 50% (fifty percent) of the reasonable cost of repair, replacement or reinstatement prior to the addition of such expenses, charges or rates of pay.
- d) No costs for alterations, additions, improvements and overhauls are recoverable under this policy.
- e) The Insurer may, at its option, repair, replace or re-instate any item lost or damaged or pay the amount of the loss or damage in money (South African Rand). The amount of liability shall not exceed the sum insured as stated in the Schedule for the relevant insured item; or

4. Agreed value (basis of indemnity)

In cases where the sum insured is stated in the Schedule as being agreed value, then the basis of loss settlement/indemnification shall be as follows:

- a) In cases where partial damage to an insured item, as listed on the Schedule or otherwise agreed, can be repaired, the Insurer will pay for the reasonable cost of restoration to working order as existing immediately prior to the occurrence of loss or damage. Parts exchanged or replaced shall be used parts.

The Insurer will limit the proportion to 10% (ten percent).

- b) In the event of a total loss or where the cost of the partial damage exceeds or equals the agreed value of the Plant immediately prior to the occurrence of the total loss or damage, the item of plant shall be regarded as a total loss and the basis of settlement/indemnification shall be calculated as the agreed value stated in the Schedule.

- c) The Insurer will include extra costs incurred for:

- i) expediting expenses, express freight/delivery charges including air freight (if any);
- ii) tax, customs duties and dues (if any);
- iii) overtime, night work, and work on Sundays and public holiday rates of pay/wages necessarily incurred;

provided that:

such extra costs shall not exceed 50% (fifty percent) of the reasonable cost of repair, replacement or reinstatement prior to the addition of such expenses, charges or rates of pay.

- d) The Insurer may, at its option, repair, replace or re-instate any item lost or damaged or pay the amount of the loss or damage in money (South African Rand). The amount of liability shall not exceed the sum insured as stated in the Schedule for the relevant insured item.

SPECIAL EXCEPTIONS APPLICABLE TO SECTION A

This insurance does not cover:

1. loss or damage:
 - a) occurring underground in any tunnel shaft or underground works or on, under or over water;
 - b) due to wear and tear, rust, mildew, deterioration, oxidation, corrosion or to any insured plant's own explosion, breakdown or derangement but this exception shall not exclude consequential loss or damage to other parts of such plant;
 - c) to any railway locomotive or rolling stock, aircraft or watercraft;
 - d) to any item of self-propelled plant whilst being driven with the knowledge and consent of the Insured by an unlicensed driver in circumstances where the law of the applicable territory requires that the driver should be licensed;
 - e) caused by or arising out of the ingress of foreign bodies or materials into the mechanical or electrical working of any item of plant;
 - f) to cutting edges of tools, pipes, chains, cables, rollers, ropes, rods or bits;
 - g) to tyres unless the vehicle is damaged at the same time;
 - h) to any tandem lift arising out of any tandem lift operation; or
 - i) to plant outside the territorial limits.
2. depreciation or consequential loss of whatsoever nature except as provided in:
 - a) Special Exception 1 (b);
 - b) Section D – continuing hire charges as stated in the Hiring Costs and Related Sections wording below.
3. unexplained shortages or shortages revealed only by routine stock-taking or inventory or which results directly from the dishonesty of any director, partner or employee of the Insured.
4. the amount of the Excess specified in the Schedule in respect of all loss or damage arising out of any one event or occurrence.

DEFINITIONS

1. Abandoned

The term abandoned shall mean deserted, discarded, forsaken, derelict, vacant, dumped and/or cast-off.

2. All insured plant

shall mean the plant and equipment stated in the Schedule owned, hired or leased by the Insured and acquired for use on contract sites in the course of the business and so described in the Schedule.

3. Construction plant and equipment

shall include scaffolds, hoists and temporary buildings but shall exclude consumables, lifts, cranes, mobile mechanically propelled plant and electrical hand tools.

4. Credit agreement

The term credit agreement shall mean a legally enforceable credit agreement as defined in the National Credit Act, 2005 (as amended), which the Insured has entered into with a registered credit provider in respect of the insured plant which is listed in the Schedule.

5. Finance company

The term finance company shall mean the registered credit provider in terms of the credit agreement and whose interest is noted in the Schedule.

6. Hijack

Shall mean the unlawful, intentional removal of the insured plant without the Insured's permission with the use or threat of use of a firearm or any other dangerous weapon, the infliction of grievous bodily harm or a threat to inflict bodily harm by the offender or any accomplice on the occasion when the offence is committed, whether before, during or after the commission of the offence.

7. Mobile cranes

shall exclude lifts and tower cranes.

8. Mobile mechanically propelled plant

shall exclude lifts and cranes.

9. Occurrence

The term occurrence shall mean an occurrence or series of occurrences arising from one cause in connection with any one plant item (as described) in respect of which indemnity is provided by this insurance.

10. Own damage

Shall mean loss of or damage to an insured plant excluding loss or damage due to theft, hijack, attempted theft or attempted hijack.

11. Plant

The term plant as referred to in the policy wording of this section shall include machinery, vehicle(s) and any other property described in the Schedule.

12. Statutory settlement balance

The term statutory settlement balance shall mean the amount which is due by the Insured at the date of loss and which represents the balance due to the finance company which will liquidate the Insured's obligations to it and entitle the Insured to unencumbered ownership of the insured plant, less any arrear instalments, any amount refundable to the Insured in terms of the agreement, outstanding insurance premiums, warranties and any extras added to the finance contract which do not form part of the actual plant financed.

13. Territorial limits

The territorial limits covered in respect of this section of the policy are as stated in the Schedule.

14. Theft

Shall mean the unlawful, intentional removal of the insured plant without the Insured's permission.

15. Total loss

Shall mean where the Insurer declares the insured plant as uneconomical to repair as a result of an accident or fire, or following a loss by theft or hijacking and the Insurer settles the loss as a total loss.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Average

If the sum insured on any item insured under Parts A and B of the Schedule at the time of loss or damage is less than the amount required to be insured, then the Insured shall be considered their own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly. Every item listed in the Schedule is subject to this condition separately. The Insurer will pay only in such proportion as the "sum insured" bears to the amount of the new replacement value. This does not apply to the Agreed Value (Basis of Indemnity).

2. Automatic reinstatement

Unless otherwise requested by the Insured, no sum insured shall be reduced by the amount of any claim paid or payable by the Insurer and the Insured shall pay to the Insurer a pro-rata premium on such amount from the date of the loss or damage to the end of the current period of insurance.

3. Change/transfer of interest

Unless notified to the contrary and noted by the Insurer, either in writing or by endorsement, the policy shall be void where there has been any alteration in "risk" or change in the "insured amount" or where the Insured's interest ceases. No rights against the Insurer are given to any person other than the Insured.

The above notification does not apply where interest ceases by death or by the operation of law. The extension of the Insurer's liability in respect of any person other than the Insured shall give no right of claim hereunder to such person or party as the Insurer's intention is that the Insured shall, in all cases, claim for and on behalf of such party.

4. Clothing and personal effects of drivers, co-drivers and operators

The Insurer will pay up to the amount stated in the Schedule in respect of any open claim for loss of or damage to drivers, co-drivers and operators' clothing and personal effects (excluding money and negotiable instruments) belonging to drivers, co-drivers and operators in the permanent employ of the Insured, as a result of the following:

- a) the insured plant being involved in a collision;
- b) the insured plant being damaged by fire, explosion or self-ignition;
- c) the insured plant overturning;
- d) the insured plant being stolen or hijacked or the object of attempted hijack;
- e) theft accompanied by forcible and violent entry into or exit from the insured plant and/or storage compartments or any attempt thereof or as a result of theft (or any attempt thereof) following violence or threat of violence;

provided that:

- a) such clothing and personal effects are contained in the insured plant at the time of the loss or damage;
- b) such clothing and personal effects are not otherwise insured;
- c) cover is only provided in respect of:

clothing, spectacles, contact lenses, hearing aids, pens, pencils, cosmetics and their cases, cigarette cases and lighters, jewels and jewellery, personal ornaments, watches, furs, articles of gold or silver and other articles similar to the aforementioned that are usually carried by or on a person, electric and other razors, umbrellas, handbags, cases, portable photographic equipment and other electronic devices, portable radios, and portable tape decks or compact disc players, binoculars, firearms, sports equipment as well as trunks, suitcases and other containers in which the property is kept whilst travelling, toiletries, cooking equipment and utensils, electronic tablets, laptops and cellular telephones; and

- d) the driver can prove ownership in respect of:

portable photographic equipment and other electronic devices, portable radios and portable tape decks or compact disc players, binoculars, firearms, electronic tablets, laptops and cellular telephones.

5. Consequential damage as a result of electrical or mechanical failure

If, as a consequence of electrical or mechanical breakdown or derangement, any accident occurs, causing external damage or loss, such consequential damage shall be covered by the applicable item of plant as listed in the Schedule.

6. Cross liabilities

Where more than one Insured is named in the Schedule, the Insurer will indemnify each Insured separately and not jointly, and any liability arising between such Insured shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule.

7. Currency fluctuations

The indemnity by this section shall include:

provision for devaluation or revaluation of the currency of the Republic of South Africa against that of the country of origin of the property insured and other inflationary trends, which may result in escalation of the installed new replacement value of the property insured.

In that event the sum insured will be automatically increased but by no more than 10% (ten percent) of the sum insured per item.

It is further agreed that the Insured will advise the Insurer at renewal of such alterations and pay the appropriate premium thereon.

8. Depreciation table

Should the Insurer/Insured not agree on market value in the event of a loss, the following depreciation table will be used to determine market value.

Year 1 (one)	15% (fifteen percent) depreciation
Year 2 (two)	7% (seven percent) depreciation
Year 3 (three) and onwards	4% (four percent) per year depreciation

9. Excess

In respect of each and every occurrence giving rise to a claim, under this policy, the Insured shall be responsible for the excesses stated in the Schedule (according to the type of Plant and according to the nature of the cause of a valid claim) of any expenditure for which provision is made under this policy (including any payment in respect of costs, expenses and fees), or any less expenditure which is actually incurred, and of any expenditure by the Insurer in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the Insurer shall include any excess for which the Insured is responsible, such amount shall be paid by the Insured to the Insurer forthwith.

10. Interest of any financial institution

This policy of insurance extends to include the interest of any financial institution in the subject matter of this insurance.

11. Interest of employer

Where in terms of any contracts the insured plant or any part thereof is deemed to become the plant of the employer and the Insured is required to insure such plant in the joint names of the employer and the Insured the interest of the employer is deemed to be noted hereon.

12. Locks, keys, tags and remote access devices

The Insurer will indemnify the Insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle, access cards/tags following upon the disappearance of any key or alarm controller of such vehicle or access cards/tags or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller or access card/tag, provided that:

- a) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event; and
- b) the Insured shall be responsible for the excess stated in the Schedule in respect of any one event.

13. Malicious damage

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

- a) movable property which is:
 - i) stolen;
 - ii) damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;
- b) 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;

c) immovable property owned or occupied by the Insured occasioned by or through or in consequence of:

- i) the removal or partial removal or any attempt thereof;
- ii) the demolition or partial demolition or any attempt thereof;

the said immovable property or any part thereof with the intention of stealing any part thereof,

provided that this extension does not cover:

- a) damage related to or caused by fire or explosion;
- b) consequential or indirect damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- c) damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- d) damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority; or

damage related to or caused by any occurrence referred to in General Exception 9 (A) (i), (ii), (iii), (iv), (v), (vi) and (vii) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

14. Plant insured whilst outside the Republic of South Africa

Loss or damage to plant insured whilst outside the Republic of South Africa shall be subject to:

- a) the cost of salvaging and delivering the item(s) to the nearest border of the Republic of South Africa being borne by the Insured.
- b) Should the loss or damage require the services of an assessor, the Insured shall be required to bear 50% (fifty percent) of the assessor's fees incurred, due to the extra travel costs.

15. Recovery costs

This policy includes the cost of recovery limited to the amount stated in the Schedule of the item of plant, up to a maximum of the amount stated in the Schedule per incident.

Recovery costs shall include the following:

- a) the reasonable cost of protection and removal of the plant to the nearest repairers;
- b) the clearing up and removal of debris and wreckage of the insured plant following damage to such plant by a defined event;
- c) the reasonable costs and charges incurred in any search and recovery operation following theft or hijack of the insured plant (including, but not limited to, helicopter search charges) irrespective of whether such operation proves successful; and
- d) the reasonable costs incurred by the Insured in respect of storage costs and release fees from a repairer or supplier of services rendered.

16. Renewal of oil

The policy of insurance is extended to include the renewal of oil in engines on an indemnifiable loss.

17. Restricted parts

Where the loss is restricted to parts or part of the Insured's plant as listed in the Schedule, the Insurer shall not be liable for an amount higher or greater than the value of the part or parts allowed for in the sum insured plus freight expenses and dismantling and re-erection.

18. Salvage

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

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

The value of salvage, which can be used in any way whatsoever, will be deducted and any costs of additions, improvements, alterations and overhauls carried out during the indemnifiable repair, are payable by the Insured where such salvage has not been repurchased by the Insured from the Insurer.

19. Temporary repairs

Temporary repairs carried out by the Insured are not indemnifiable, unless the repair is carried out in the interest of safety or to minimise further loss, but always only with the consent of the Insurer in writing.

20. Transit cover including loading and unloading (material damage only)

The Insurer hereby agrees to indemnify the Insured for loss of or damage to the insured plant whilst in transit on commercial vehicles designed to carry such plant or whilst being towed by a commercial vehicle on a public road,

provided always that indemnity provided by this policy shall be subject to:

- a) the vehicle transporting the insured plant being registered for road use in terms of the current National Road Traffic Act, 1996 (as amended) or any other applicable legislation or any replacement statute;
- b) the vehicle transporting the insured plant complying with or meeting in any respect the requirements, regulations and standards for roadworthiness as set out in the National Road Traffic Act, 1996 (as amended) or any replacement statute, or of any provincial or local proclamation or statute which is applicable to the insured vehicle;
- c) the vehicle transporting the insured plant not being found to be overloaded as provided for in terms of the National Road Traffic Act, 1996 (as amended) and the regulations issued thereunder;

- d) the insured plant being transported not being found to be inadequately, insufficiently and unsuitably packed and secured in or on vehicles transporting such plant; and
- e) the plant not being driven under its own power.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Credit shortfall

If any total loss settlement under sub-section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the Insurer will pay to the Insured an amount equal to the shortfall less:

- a) any arrears instalments or rentals including interest payable on such arrears;
- b) all refunds of premium for cancellation of any insurance cover relating to the insured plant;
- c) the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled; and
- d) the excess under sub-section A,

provided always that:

- a) the amount payable shall not exceed the maximum indemnity stated in the Schedule of the insured plant including the credit shortfall amount less the excess under sub-section A. This endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% (ten percent) from any other instalment; and
- b) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this extension shall be void.

2. Excess reducer: Material damage

- a) Insured event

The payment of the excess in respect of loss or damage to the Insured Property as stated in the schedule excluding any damage to accessories that the Insured fitted to the plant (as defined) after original purchase.

- b) Excess reducer

The total excess, less the inner excess as stated in the schedule. This benefit will indemnify the insured in the event of the claim in terms of this section of the policy falling within the total excess, provided that:

- i) this benefit will only become payable:
 - a. directly to the repairer once the claim has been settled by the Insurer; subject to the terms, exceptions and conditions of the policy; or
 - b. in the event of the amount of the assessed claim being less than the excess; and
 - c. on receipt of such proofs, information and sworn declarations as the Insurer may require;
- ii) the Insurer's liability for each Insured item will not exceed the limit of indemnity as stated in the schedule or the actual excess payable on an indemnifiable claim, whichever is the lesser, and
- iii) in respect of each and every occurrence giving rise to a claim, the Insured shall be responsible for excess as stated in the schedule of any expenditure for which provision is made under this sub-section (including any payment in respect of costs, expenses and fees), or any less expenditure which is actually incurred, and of any expenditure by the Insurer in the exercise of any discretion it may have under this insurance.

Should the expenditure incurred by the Insurer include any first amount payable for which the Insured is responsible, such amount shall be paid by the insured to the Insurer forthwith.

- c) Special exception

The Insurer will not indemnify the Insured in respect of any claim not covered in terms of the motor section of the policy whether an ex gratia payment has been made by the Insurer or not.

3. Excess reducer: theft, hijack or any attempt thereof

- a) Insured event

The payment of the excess following the theft or hijack (or any attempt thereof) of the insured plant (as defined) as stated in the Schedule.

- b) Excess reducer

The total excess, less the inner excess as stated in the Schedule, provided always that:

- i) this benefit will only become payable:
 - a. directly to the repairer once the claim has been settled by the Insurer, subject to the terms, exceptions and conditions of the policy; or
 - b. in the event of the amount of the assessed claim being less than the excess; and
 - c. on receipt of such proofs, information and sworn declarations as the Insurer may require;
- ii) the Insurer's liability for each insured plant (as defined) will not exceed the limit of indemnity as stated in the Schedule or the actual excess payable on an indemnifiable claim, whichever is the lesser; and

iii) in respect of each and every occurrence giving rise to a claim, the Insured shall be responsible for the excess stated in the Schedule of any expenditure for which provision is made under this sub-section (including any payment in respect of costs, expenses and fees), or any less expenditure which is actually incurred, and of any expenditure by the Insurer in the exercise of any discretion it may have under this insurance.

Should the expenditure incurred by the Insurer include any excess for which the Insured is responsible, such amount shall be paid by the Insured to the Insurer forthwith.

c) Special exception

The Insurer will not indemnify the Insured in respect of any claim not covered in terms of the motor section of the policy whether an ex gratia payment has been made by the Insurer or not.

4. Road risk cover (material damage)

The Insurer hereby agrees to indemnify the Insured for loss of or damage to the insured plant whilst being driven under its own power on a public road, provided always that indemnity provided by this policy shall be subject to:

a) the insured plant being registered for road use in terms of the current National Road Traffic Act, 1996 (as amended) or any other applicable legislation or any replacement statute.

5. Riot and strike (excluding loss or damage occurring in the Republic of South Africa and Namibia)

Refer to the wording under the General Clauses and Extensions of the General Exceptions Conditions and Provisions section of the policy for the terms, exclusions and conditions of cover provided hereunder.

6. Window glass

The provisions of this section relating to excess shall not apply to any payment for damage to windscreen glass, side or rear glass and/or front lights forming part of any insured plant, provided that:

a) no other damage has been caused to the plant giving rise to a claim under the policy

b) the Insured shall be responsible for the excess (applicable to glass) stated in the Schedule of each and every loss.

WARRANTIES

1. Cover for underground machinery and equipment (if insured in the Schedule)

It is agreed and understood that otherwise subject to the terms, exclusions, provisions and conditions contained in the policy or endorsed thereon and subject to the Insured having paid the agreed extra premium, the Insurer shall indemnify the Insured for loss of or damage to the insured items contained in the Schedule of insured items due to flood, inundation, landslip or rockslide, subsidence, collapse of shafts or adits, galleries, tunnels, etc up to the sum insured stated in the Schedule per incident.

Loss or damage due to abandonment of the insured items shall be excluded from the cover provided.

It is further agreed and understood that cover is subject to all other terms, exclusions, provisions and conditions contained in the policy or endorsed thereon.

2. Hirer's warranty

It is hereby warranted that:

The Insured shall without exception ascertain the status, integrity, credibility or other relevant details to confirm the bona fides of any hirer. The details must include:

a) full name and address, identity document number in respect of individuals;

b) full name and address, company registration number in respect of businesses;

c) phone, facsimile, home, work and cell numbers; and

d) confirmation of banking details.

Failing this, in the event of a loss arising from theft and or disappearance of the insured property attributed to any hirer the insurance of such loss will become void.

3. Owners due diligence warranty

It is hereby warranted that:

The Insured shall in all circumstances exercise the utmost care in the selection of operating personnel, follow and implement recognised training procedures particular to the industry, ensure that all operators are skilled in the usage and operation of the insured property and confirm and certify that all license requirements are met.

4. Tracking device requirements (if stated in the Schedule to be applicable)

The Insurer shall not be liable under the Material Damage section of this section to pay for loss of or damage to any insured item or any part thereof as a result of theft, hijacking or any attempt thereat (irrespective of the manner in which the theft/hijacking took place) unless:

a) the Insured can prove that prior to the happening of such theft or hijacking (or attempt thereat), the insured item was fitted with an approved tracking and recovery system;

b) the Insured can prove that the system was fully operational at the time of any theft or hijacking or any attempt thereat;

c) the Insured can prove that a legal contract existed between the Insured and the supplier of the vehicle tracking and recovery system and any monthly subscription fees have been paid in full at the time of any theft or hijacking or any attempt thereat;

d) the vehicle tracking system is monitored, on a 24-hour basis, by a manned control room operated by employees of the supplier of the vehicle tracking and recovery system; and

e) the contract which exists between the Insured and the supplier of the vehicle tracking and recovery system requires the suppliers, in the event of the tracking system being activated, immediately to notify the Insured of the activation and proceed forthwith with steps to recover the insured item.

1. Clean-up costs: leakage from the plant item

This section extends to indemnify the Insured in respect of reasonable clean-up costs and expenses for which the insured is legally liable to pay in respect of the following:

- a) fuel leakage from the plant item's own fuel tank (which is used to propel the plant item);
- b) oil leakage from the plant item;
- c) hydraulic fluid leakage from the plant item;

arising from a direct consequence of damage to the insured item as covered by this section, provided that the Insurer shall not be liable for:

- a) the clearing up and removal of any load of liquid substances and/or contaminants in transit by the insured plant item;
- b) the Insurer's liability shall not exceed the amount stated in the Schedule in respect of any one event; and
- c) the Insured shall bear the excess as stated in the Schedule in respect of each and every claim under this extension.

In addition to the above the Insurer will contribute a maximum combined amount of R5,000 (five thousand Rand) in the event of such claim towards replacement of the fuel, oil and/or hydraulic fluid leaked from the insured plant item in the incident.

2. Liability to third parties: Contract site only

It is agreed that the insurance provided by this extension will respond only if the Insured should become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury) or accidental loss of or physical damage to tangible plant (hereinafter termed damage) occurring during the period of insurance and arising out of the use of the insured machinery described in the Schedule on any contract site as a tool of trade in the performance of any contract where:

- a) the employer/contractor has defaulted by not arranging the required insurances; or
- b) the employer/contractor has arranged the required insurances, in which case the Insured shall be indemnified hereby only to the extent of the difference in excess between this policy and the policy/policies taken out by the employer/contractor,

provided that:

- a) this policy shall not be drawn into contribution with such other specific insurance arranged by or on behalf of the Insured;
- b) this clause shall apply to any restrictions or limitations of cover imposed by the Insurer or proposed by the Insured as a consequence of the nature of the contract works undertaken or in an endeavour to reduce the premium; and
- c) the clause excludes liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the insured plant) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.

Any benefit derived from this policy under the terms of this section shall be applied to the advantage of the Insured only and no benefit derived by this extension may be to the advantage of any other party deemed to be an Insured.

3. Liability to third parties: Road risk including contract sites

Defined Events

Any accident caused by or through or in connection with any plant described in the Schedule or in connection with the loading and/or unloading of such plant in respect of which the Insured and/or any passenger becomes legally liable to pay all sums including claimants' costs and expenses in respect of:

- a) death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the Insured arising from and in the course of such employment or being a member of the same household as the Insured; and
- b) damage to plant other than plant belonging to the Insured or held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from such insured plant.

The Insurer will also (in terms of and subject to the limitations of and for the purposes of this sub-section)

- a) pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this sub-section, or for defending in any magistrates' court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this sub-section, provided that the total of the Insurer's liability under both this extension and sub-section B shall not exceed the limit of indemnity stated to apply to sub-section B;
- b) indemnify any person who is driving or using such insured plant on the Insured's order or with the Insured's permission, provided that:
 - i) such person shall, as though they were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply;
 - ii) such person driving such insured plant has not been refused any motor insurance or continuance thereof by any insurer;
 - iii) indemnity shall not apply in respect of claims made by any member of the same household as such person; and
 - iv) such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder;
- c) indemnify the Insured in respect of liability arising from the towing by an insured plant of any other insured plant (including liability in connection with the towed insured plant), provided that the Insurer shall not be liable for damage to the towed insured plant therein or thereon.

Specific exceptions

The Insurer shall not be liable under this sub-section in respect of:

- a) any compensation or claim which falls within the scope of any compulsory motor vehicle insurance enactment. This exception shall apply notwithstanding that no other insurance under such enactment is in force or has been effected and regardless of whether the applicable legislative fund is unable to or incapable of providing compensation;
- b) death of or injury to any person being carried in or upon or entering or getting onto or alighting from the insured plant described in the Schedule at the time of the occurrence of the event from which any claim arises;
- c) liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the insured plant) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks;
- d) any liability for:
 - i) personal injury or bodily injury or financial loss or loss of, damage to, or loss of use of plant directly or indirectly arising out of the discharge dispersal release or escape of pollutants which is or was conveyed by or carried in or on a plant insured under this section of the policy;
 - ii) the costs and expenses incurred for removing, nullifying or cleaning up pollutants and/or remedial procedures to remove or repair the effects of spillage or leakage (irrespective whether such spillage or leakage is the result of a motor accident or not) of any substance carried in or on or by the insured plant; or
 - iii) fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal, release or escape of pollutants; or
- e) any compulsory liability insurance cover or indemnity purchased by the Insured when entering a country as stipulated in the territorial limits outside the borders of the Republic of South Africa.

4. Tool of trade liability (applicable to either the contract site or on the road)

It is hereby declared and agreed that:

Proviso 1 (C) under the Liability to third parties: Contract site only extension; and

Exception C under the Liability to third parties: Road risk including contract sites extensions are cancelled and replaced by the following:

"This section extends to indemnify the Insured for sums for which the Insured shall become legally liable to pay following upon the use of any tool of trade or any accessory attached to any vehicle for the purpose of loading or unloading such vehicle or plant forming part of such vehicle", provided that:

- a) cover has been provided under either:
 - i) the Liability to third parties: Road risk including contract sites extension; or
 - ii) the Liability to third parties: Road risk including contract extension,
- b) the Insurer shall not be liable in respect of any liability as may be insured or insurable in terms of any motor vehicle policy or compulsory third party insurance legislation notwithstanding that no such insurance is in force or has been effected, nor shall the Insurer be liable where any other form of motor insurance has been effected by the Insured covering the same liability;
- c) such tool of trade is not in itself a powered road vehicle; and
- d) such tool of trade is operated or utilised by an employee of the Insured only.

The Insurer's liability inclusive of legal defence costs arising from any one occurrence or series of occurrences attributable to any event shall not exceed the limit of indemnity provided by this insurance."

LIMITS OF INDEMNITY

Unless otherwise stated, the liability of the Insurer under this sub-section in respect of any one occurrence shall not exceed the limits of indemnity as stated in the Schedule. Where more than one insured plant is involved in the same incident, the limit of indemnity will be the maximum as stated for any specific insured plant. The limits of indemnity are not accumulative per registration number stated. The amount payable under this sub-section for any one event or series of events with one original cause or source or during any one (annual) period of insurance shall not exceed in the aggregate the maximum limit of indemnity for this extension as stated in the Schedule for any one insured vehicle.

EXCESS

It is hereby declared and agreed that if the Insured is responsible for an excess stated in the Schedule for the specific insured vehicle, the Insured is required to pay such excess to the Insurer immediately upon the request for each and every loss under this sub-section.

SECTION C - MEDICAL EXPENSES

DEFINED EVENTS

If an occupant in the specified part of an insured plant described below, in direct connection with such insured plant, sustains bodily injury by violent, accidental, external and visible means, the Insurer will pay to the Insured the medical expenses incurred as a result of such injury up to the amount stated in the Schedule per injured occupant but not exceeding a maximum of 2 (two) occupants injured at any one time as a result of an occurrence or series of occurrences arising out of one event.

The amount payable under this sub-section shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.

The term medical expenses includes any costs incurred to free such injured occupant from such insured plant or to bring such injured occupant to a place where medical treatment can be given.

SECTION D – HIRING CHARGES AND RELATED SECTIONS

DEFINED EVENTS

Subject to the terms, exceptions and conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of the Insured and receipt thereof by or on behalf of the Insurer, the Insurer specified in the Schedule agrees to indemnify or compensate the Insured by payment or, at the option of the Insurer, by replacement, reinstatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under this section up to the sums insured, limits of indemnity, compensation and other amounts specified.

Specific exceptions, conditions and provisions as set out in:

1. the Schedule; and
2. this section of the policy wording; and
3. the Hiring Costs and Related Sections sub-section of the wording;

shall override general exceptions, conditions and provisions;

provided always that:

the due observance and fulfilment of the conditions contained in 1), 2) and 3) shall so far as the nature of them will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule.

1. Continuing hire charges

In the event of loss of or damage to plant insured under Part B of the Contractors Plant All Risks section of this policy, the policy extends to cover the continuing hire charges for which the Insured is liable in terms of the hiring agreement, provided that:

- a) the amount payable shall not exceed in respect of one event or occurrence the amount stated in the Schedule; and
- b) the period in respect of which payment shall be made under this extension shall commence 72 (seventy-two) hours after the occurrence of the loss or damage and shall end not later than the period stated in the Schedule thereafter.

2. Temporary hire charges

The additional expenditure necessarily and reasonably incurred by the Insured as temporary hire charges following an indemnifiable loss of or damage to the insured owned machinery as provided for in this section of the policy to be used in temporary replacement of the insured machinery which suffered the loss or damage, provided always that:

- a) the machinery hired-in shall be similar in capacity to the insured machinery for which it is to be used in temporary replacement;
- b) such additional expenditure shall be incurred for the sole purpose of maintaining the Insured's normal business operations during the indemnity period;
- c) the amount payable in respect of any one claim shall not exceed the limit of liability stated in the Schedule as temporary hire charges.

SPECIFIC EXCEPTIONS (APPLICABLE TO SUB-SECTION A, B, C, D AND E)

1. General plant exceptions

The Insurer shall not be liable for any accident, injury, loss, damage or liability:

- a) whilst the vehicle is being used with the general knowledge and consent of the Insured otherwise than in accordance with the description of use clause;
- b) incurred:
 - i) outside the territorial limits included under this section of the policy;

provided that:

the Insurer will not be liable for any accident, injury, loss, damage or liability if the country entered into provides cover on entry.

But the Insurer will indemnify the Insured against loss of or damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit;

- c) arising from the ownership, possession or use of vehicles:
 - i) used principally for the transportation of explosives such as nitroglycerine, dynamite or any other substance generally classified as a highly explosive substance;
 - ii) in the underground workings of any mine; or
 - iii) in or on part of an airside area. Airside is deemed to be any area of the airport premises which has restricted right of access, such as runways, taxiways, apron and associated service roads plus certain parts of the terminals and other buildings located around the airport premises (as defined by the relevant airport authority);
- d) incurred while any vehicle is being driven or operated by:
 - i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a recognised member of the medical profession other than himself);
 - ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself or the Insured);
 - iii) the Insured while not licensed to drive or registered to operate such vehicle;

- iv) any other person with the general consent of the Insured who is not registered to operate the plant or licensed to drive the vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed or the operator was unregistered and the Insured can prove to the satisfaction of the Insurer that, in the normal course of the Insured's business, procedures are in operation to ensure that only licensed drivers or registered operators are permitted to operate or drive insured vehicles;
- v) the Insured, driver, operator or any other person who is not in the possession of a Professional Driving Permit (PrDP), Operators' Permits, Hazardous Goods Training Certificates as required in terms of the National Road Traffic Act No. 93 of 1996 (as amended) or any replacement statute, where the vehicle has been licenced to be on the road; or
- vi) the Insured, driver, operator or any other person who is not in the possession of an Operator's Permit, or Hazardous Goods Training Certificates, where the vehicle is operated on a contract site only.

A driver, operator or any other person not being a resident of South Africa must be in possession of the valid equivalent requirements as stated in (v) and (vi) above.

Provided that:

any driver shall be deemed to be licensed to drive the vehicle if he is complying with the licensing laws relating to any of the territories referred to under Specific Exception 1.b), or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners.

2. Road licence vehicles

The Insurer shall not be liable for any accident, injury, loss, damage or liability if the plant, insured vehicle or any other vehicle forming part of a combination of vehicles together with the insured vehicle at the time of any incident giving rise to a claim in terms of the policy fails to comply with or meet in any respect the requirements, regulations and standards as set out in the National Road Traffic Act, 1996 (as amended) or any replacement statute, or of any provincial or local proclamation or statute which is applicable to the insured vehicle insofar:

- a) as to the requirements applicable to vehicle licences, clearance certificates, certificate of fitness and roadworthiness, and Dangerous Goods;
- b) as the vehicle fails to comply with or meet in any respect the requirements, regulations and standards for roadworthiness; or
- c) the vehicle is found to be overloaded.

3. Contractual liability

The Insurer shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.

SPECIFIC CONDITIONS (APPLICABLE TO SUB-SECTIONS A, B, C, D AND E)

1. Insured's rights

The Insured shall not cede or assign, either in part or in whole, any of its rights or obligations in terms of this policy without the prior written consent of the Insurer.

2. Licence

If, during the currency of this section, any driver's licence in favour of the Insured or their authorised driver is endorsed, suspended or cancelled, or if the Insured or their authorised driver shall be charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Insurer immediately the Insured has knowledge of such fact.

3. Modifications

Any modification, alteration, or structural changes to the standard production design of the Insured vehicle shall be reported to the Insurer in writing within 30 (thirty) days of such modification, alteration or structural change.

DEFINED EVENTS

Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or employee of the Insured (hereinafter in this section referred to as "such person") specified in the Schedule.

The Insurer will pay to the Insured, on behalf of such person or his estate, the compensation stated in the Schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 (twenty-four) calendar months in death or disability as specified in the Schedule under the heading circumstances.

COMPENSATION FOR PERSONAL DISABILITY

Permanent disability shall mean	Percentage of compensation
Loss by physical separation at or above the wrist or ankle of one or more limbs	100% (one hundred percent)
Permanent and total loss of:	
Whole eye	100% (one hundred percent)
Sight of eye	100% (one hundred percent)
Sight of eye except perception of light	100% (one hundred percent)
Permanent and total loss of hearing:	
Both ears	100% (one hundred percent)
One ear	25% (twenty-five percent)
Permanent and total loss of speech	100% (one hundred percent)
Injuries resulting in permanent total incapacity from following usual occupation or any other equivalent occupation for which such person is fitted by knowledge or training	100% (one hundred percent)
Loss of four fingers	70% (seventy percent)
Loss of thumb:	
Both phalanges	30% (thirty percent)
One phalanx	15% (fifteen percent)
Loss of index finger:	
Three phalanges	15% (fifteen percent)
Two phalanges	10% (ten percent)
One phalanx	5% (five percent)
Loss of any other finger - each finger:	
Three phalanges	10% (ten percent)
Two phalanges	8% (eight percent)
One phalanx	5% (five percent)
Loss of metacarpals:	
First or second (additional)	3% (three percent)
Third, fourth or fifth (additional)	2% (two percent)
Loss of toes:	
All on one foot	30% (thirty percent)
Great (both phalanges)	10% (ten percent)
Great (one phalanx)	5% (five percent)
Other than great, if more than one toe lost, each	5% (five percent)

MEMORANDA

1. Where the injury is not specified, the Insurer will pay such sum as, in their opinion, is consistent with the above provisions.
2. Permanent total loss of use of part of the body shall be treated as loss of such part.
3. 100% (one hundred percent) shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

DEFINITIONS

1. Annual earnings

shall mean the annual rate of wage, salary including fixed annual bonus and cost of living allowance being paid or allowed by the Insured to the insured person at the time of a defined event, plus overtime, house rents, food allowances, commissions and other considerations of constant character earned by the insured person or allowed by the Insured to the insured person during the 12 (twelve) months immediately preceding the date of accidental bodily injury.

If the insured person has not been in the continuous employ of the Insured for 12 (twelve) calendar months, the amount to be added for overtime, house rents, food allowances, commissions and other considerations of constant character shall be the average monthly amount earned during the period of employment times 12 (twelve).

2. Average weekly earnings

shall mean a 52nd (fifty-second) part of annual earnings.

3. Emergency medical treatment

shall mean medical treatment administered in response to an injury that of necessity requires immediate medical attention.

4. Illness

shall mean bodily illness, sickness or disease.

5. Insured person

shall mean the principal, partner, director or employee of the Insured.

6. Injury

shall mean bodily injury caused by accidental, violent, external and visible means.

7. Medical emergency

shall mean any injury that threatens human life and which requires immediate medical intervention to preserve life.

8. Medical expenses

shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 (twenty-four) months of the defined event. Medical expenses will be deemed to include antiretroviral and prophylactic medication/treatment to avoid contracting the human immunodeficiency virus (HIV) as a direct result of bodily injury caused by accidental, violent, external and visible means, provided that the insured person is not human immunodeficiency virus (HIV) positive at the time of the treatment.

9. Temporary total disability

shall mean total and absolute incapacity from following usual business or occupation.

RESTRICTED COVER (IF STATED IN THE SCHEDULE TO BE APPLICABLE)

1. Business limitation

This section applies only in respect of accidental bodily injury to such person arising from and in the course of his employment in the business.

2. Business hours plus commuting limitation

This section applies only in respect of accidental bodily injury to the insured person arising from and in the course of their employment with the Insured including travelling to and from work in a direct and timeous manner.

PROVISOS

It is declared and agreed that:

1. Limit any one person/conveyance/premises

the Insurer's liability in respect of:

- a) death and permanent disability is limited to the amount stated in the Schedule for any one insured person in respect of any one accident or series of accidents arising from one cause; and
- b) compensation for all persons insured under the stated benefits and personal accident sections of this policy while travelling in any one conveyance or while at any one premises is limited to the amount stated in the Schedule.

2. Maximum compensation

the Insurer shall not be liable to pay for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one insured person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability, medical expenses and any extensions which are applicable.

3. Age limits

unless otherwise provided herein, this section shall not apply to any insured person:

- a) before they attain 15 (fifteen) years of age, or
- b) after the expiry of the period of insurance in which they attain 75 (seventy-five) years of age.

4. Workmen's compensation enactment

any compensation payable by the Insurer for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of medical expenses.

5. Medical examinations

after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the Insurer to do so, submit to medical examination and undergo any treatment specified. The Insurer shall not be liable to make any payment unless this proviso is complied with to its satisfaction.

6. General conditions

General Conditions 19 and 23 do not apply to this section.

7. War

in respect of this section only, General Exception 9 is deleted and replaced by the following:

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

8. Declaration of earnings

the first premium and all renewal premiums under this section that may be accepted are to be regulated by the amount of earnings as defined in this section paid or allowed to the employees by the Insured during each period of insurance and such payment must be duly recorded in a proper wage book against the name of each employee. The Insured shall at all times allow the Insurer to inspect such books and shall supply the Insurer with a correct account of all such payments during any terms of insurance within one month from the expiry of such term of insurance and if the total amount so paid or allowed shall differ from the amount on which premium has been paid the difference in premium shall be paid by a further proportionate payment to the Insurer or by a refund by the Insurer as the case may be.

SPECIFIC EXCEPTIONS

The Insurer shall not be liable to pay compensation for death, disability or medical expenses in respect of such person,

1. while they are travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
2. by their suicide or intentional self-injury;
3. caused solely by an existing physical defect or other infirmity of such person;
4. as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by a member of the medical profession (other than themselves) or unless prescribed by and taken in accordance with the instructions of a member of the medical profession (other than themselves);
5. as a result of their participation in any riot or civil commotion; or
6. while they are, or as a result of their, engaging in:
 - a) motor cycling (whether as a driver or passenger) other than on the business of the Insured;
 - b) racing of any kind involving the use of any power-driven:
 - i) vehicle; or
 - ii) vessel; or
 - iii) craft; or
 - c) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang-gliding.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Additional death benefit (only applicable if the death benefit is insured)

The Insurer will pay in addition to the capital sum a further amount for funeral expenses for accidental death to the insured person, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule; and
- b) the Insured can prove to the satisfaction of the Insurer that the insured person is a principal, partner, director or employee of the Insured at the time of the incident.

2. Childcare assistance

The childcare assistance benefit will become payable by the Insurer to cover the cost of a professional childminder in the event of the following:

- a) if the insured person suffers bodily injury which results in an insured event covered under this section of the policy and stated in the table of benefits; or
- b) the above insured person's child suffers bodily injury which results in an insured event covered under this section of the policy and stated in the table of benefits, provided that:
 - a) the child is under the age of 17 (seventeen) years, unless mentally handicapped;

- b) the insured person can provide proof that the professional childminder was hired;
- c) the maximum amount payable is R200 (two hundred Rand) per day up to a maximum of R10,000 (ten thousand Rand) irrespective of the number of children;
- d) the benefit will only be payable for a period not longer than 28 (twenty-eight) days;
- e) the benefit will only be payable if the child permanently resides with the insured person; and
- f) a 7 (seven) days excess period will apply.

3. Crime

In the event of the insured person's death or permanent total disablement as a result of an accident which is as a direct result of a crime, the Insurer will pay an additional 10% (ten percent) of the insured person's death or permanent total disablement benefit up to the maximum stated in the table of benefits.

4. Detention

In the event of the detention under duress of any insured person, other than by reasons of:

- a) engagement (or alleged engagement) in any political activity against the de jure or de facto government of the country where the detention occurs;
- b) failure to be in possession of the requisite visas, work permits or associated documents required by such country;
- c) involvement (or any allegation thereof) in any criminal activity; or
- d) debt, insolvency, commercial failure, failure to provide any bond or security or other financial loss;

the cover in terms of this section shall continue in force for the duration of such an occurrence, or 12 (twelve) months from the date of such occurrence, whichever is the lesser period.

If temporary total disability is insured, the Insurer will regard detention of the insured person as a claim for temporary total disability.

5. Disappearance

In the event of the disappearance of any insured person in circumstances which satisfy the Insurer that they have sustained injury to which this section applies, and that such injury has resulted in their death, the Insurer will, for the purposes of the insurance afforded by this section, presume their death provided that if, after the Insurer shall have made payment hereunder in respect of their presumed death, they are found to be alive, such payment shall forthwith be refunded by the Insured to the Insurer subject to the Insured being able to recover such payment from the person(s) to whom it was paid.

6. Exposure

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

7. Emergency transportation/search and rescue

The Insurer will pay costs and expenses in addition to the cover provided under the medical expenses extensions necessarily incurred for:

- a) emergency transportation; and
- b) search and rescue, including freeing and bringing an insured person to a place of safety;

as a result of, or in order to prevent, accidental bodily injury to an insured person, provided that:

- a) the Insurer will not be liable if an insured person is found in circumstances which are unlikely to result in accidental bodily injury; and
- b) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one insured person for each and every claim.

8. Hijacking, abduction or kidnapping

If there is an unlawful seizure or wrongful exercise of control of any aircraft or conveyance (including the crew thereof) in which the insured person is travelling, or if the insured person is abducted or kidnapped, the cover in terms of this section shall continue in force for the duration of such an occurrence, or 12 (twelve) months from the date of such occurrence, whichever is the lesser period.

If temporary total disability is insured, the Insurer will regard the hijacking, abduction or kidnapping of an insured person as a claim for temporary total disability, provided that:

- a) the Insurer's liability is limited to the period of hijacking, abduction or kidnapping or eight weeks, whichever is the lesser; and
- b) no compensation shall be payable if any member of the insured person's immediate family is involved in the hijacking, abduction or kidnapping as a principal or accessory.

9. Life support machinery

Notwithstanding anything contained in the defined events, the 24 (twenty-four) month period stated therein shall not include any period or periods where the death of the insured person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

The Insurer will, in addition to any compensation payable, pay for the reasonable costs and expenses incurred as a result of a defined event in respect of hire costs for life support machinery, equipment or apparatus, provided that:

- a) the Insurer's maximum liability shall not exceed, the amount stated in the Schedule for any one insured person for each and every claim; and
- b) this extension shall not increase the maximum compensation payable by the Insurer in terms of Proviso 1 (Accumulation limit).

10. Mobility

When the Insurer has admitted a claim for permanent total disablement and as a direct result of that disablement the insured person is permanently dependent on a wheelchair for mobility the Insurer will pay for:

- a) a self-propelled wheelchair; and/or
- b) the modification of the controls to the insured person's motor vehicle and (if necessary) the fitting of wheelchair loading equipment; and/or
- c) alterations to the insured person's residence to facilitate the use of such wheelchair up to the amount stated in the Schedule.

11. Paraplegia

When the Insurer has admitted a claim for permanent total disability, and as a direct result the accidental bodily injury results in complete paralysis of the lower half of the body, including both legs, of the insured person, the Insurer will, in addition to any amount payable for permanent total disability, pay 10% (ten percent) of the benefit paid for permanent total disability subject to a minimum of R50,000 (fifty thousand Rand) and up to a maximum of R500,000 (five hundred thousand Rand).

12. Quadraplegia

When the Insurer has admitted a claim for permanent total disability, and as a direct result the accidental bodily injury results in complete paralysis of all four limbs of the insured person, the Insurer will, in addition to any amount payable for permanent total disability, pay 25% (twenty-five percent) of the benefit paid for permanent total disability subject to a minimum of R100,000 (one hundred thousand Rand) and up to a maximum of R1,000,000 (one million Rand).

13. Rehabilitation

Where the Insurer has admitted a claim for permanent disability, if as a direct result of that disability an insured person is unable to follow their usual business or occupation but can be retrained to carry out another business or occupation, the Insurer will, in addition to any permanent disability benefit agreed, pay 80% (eighty percent) of the retraining costs, plus any costs incurred in adjusting the insured person's workplace, provided that the maximum amount payable by the Insurer in respect of an accident or series of accidents arising from one cause will not exceed the amount stated in the Schedule for any one insured person.

14. Repatriation of costs (only applicable if the death benefit is insured)

The Insurer will pay in addition to the capital sum stated in the Schedule reasonable and necessary expenses for any insured person who is hospitalised away from their normal place of residence and requires medical assistance in order to return, will be repatriated, by road or air, whichever is the most appropriate, to their home town hospital or residence within the area and, in the event that death occurs whilst the insured person is away from home, repatriation of the mortal remains will be performed to the member's city or town of residence.

In addition to the above, the Insurer will pay reasonable and necessary expenses in the event that any minors are left stranded due to a medical emergency occurring or death of an insured person whilst such insured person is away from home. Arrangements will be made to accompany the minors back to their residence or to another place of safety, on condition that both the latter are in the area, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one insured person for each and every claim; and
- b) the Insured can prove to the satisfaction of the Insurer that the insured person is a principal, partner, director or employee of the Insured at the time of the incident.

15. Seat belt extension

The Insurer will pay an additional 10% (ten percent) of the insured person's death or permanent total disablement benefit, up to the maximum amount as stated in the table of benefits, provided that the insured person was wearing a properly fastened, original, factory-installed seat belt while operating or travelling as a passenger in a private motor vehicle when the accident causing the death or permanent total disablement occurs. Verification of the actual use of the seat belt at the time of the accident must be a part of an official report of the accident or must be certified in writing by the investigating officer(s).

16. Substitute persons

Any person employed by the Insured during the period of insurance as a direct replacement for an insured person named in the Schedule will automatically be covered by this section, provided that:

- a) such changes are declared to the Insurer at the end of the period of insurance; and
- b) there is no difference in occupation between the substitute person and the person being substituted.

17. Territorial limits

Coverage applies anywhere in the world unless otherwise restricted by an endorsement and/or memorandum to this policy.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Assault and trauma cover

Should an insured person sustain psychological trauma necessitating counselling by a qualified and registered professional counsellor, psychiatrist or psychologist, the Insurer will in addition to and subject to any compensation payable for permanent disability and/or temporary total disability, pay such person's counselling expenses up to the limit of compensation as specified in the Schedule. The Insurer will provide unlimited telephonic counselling as a result of any traumatic event, including:

- a) attempted theft or hold up;
- b) burglary;
- c) the hijacking or attempted hijacking of a vehicle;
- d) medical trauma following a defined event;

- e) assault or violent crime;
- f) a motor vehicle accident;
- g) kidnapping;
- h) bereavement following the death of an insured person;
- i) post-traumatic stress;
- j) potential human immunodeficiency virus (HIV) exposure; or
- k) a disability as defined in this section of the policy;

provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one insured person for each and every claim; and
- b) the Insured can prove to the satisfaction of the Insurer that the insured person is a principal, partner, director or employee of the Insured at the time of the incident.

2. Burns disfigurement

Subject to the exclusion shown below, the following item is added to the definition of permanent disability:

	Percentage of compensation
Permanent disfigurement resulting from accidental external burns to the combined surface area of the face and neck	50% (fifty percent)
100% surface area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
less than 100% surface area disfigurement	
Remaining parts of the body other than the face and neck	25% (twenty-five percent)
100% surface area disfigurement	The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement.
less than 100% surface area disfigurement	

The Insurer shall not pay under any sub-item of this extension unless the disfigurement exceeds 10% (ten percent) for the sub-item under which a claim is lodged.

3. Mountaineering with rope

It is hereby declared and agreed that Specific Exception (f) (iii) is amended to read as follows:

winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang-gliding.

4. Passive war

Notwithstanding anything to the contrary contained in Proviso 6, bodily injury shall be deemed to include injury to such person caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, insurrection, rebellion, revolution, military or usurped power, provided that:

the Insurer shall not be liable to pay compensation for death, disability or medical expenses in respect of such person as a result of such person directly and/or actively taking part or engaging in aforementioned activities whilst serving in any armed force or otherwise, save, where applicable, only to the extent of taking such actions or steps as are reasonably required to protect themselves, their family or the property of their employer.

If the Insurer alleges that, by reason of the proviso, the bodily injury to such person is not covered by this extension, the burden of proving the contrary shall rest on the Insured.

5. Polo on horseback

It is hereby declared and agreed that Specific Exception (f) (iii) is amended to read as follows:

mountaineering necessitating the use of ropes, winter sports involving snow or ice, steeplechasing, professional football or hang-gliding.

6. Private motorcycling

It is hereby declared and agreed that Specific Exception (f) (i) is deleted.

DEFINED EVENTS

Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or employee of the Insured (hereinafter in this section referred to as "such person") specified in the Schedule.

The Insurer will pay to the Insured, on behalf of such person or his estate, the compensation stated in the Schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 (twenty-four) calendar months in death or disability as specified in the Schedule under the heading circumstances.

COMPENSATION FOR PERMANENT DISABILITY

Permanent disability shall mean	Percentage of compensation
Loss by physical separation at or above the wrist or ankle of one or more limbs	100% (one hundred percent)
Permanent and total loss of:	
whole eye	100% (one hundred percent)
sight of eye	100% (one hundred percent)
sight of eye except perception of light	100% (one hundred percent)
Permanent and total loss of hearing:	
Both ears	100% (one hundred percent)
One ear	25% (twenty-five percent)
Permanent and total loss of speech	100% (one hundred percent)
Injuries resulting in permanent total incapacity from following usual occupation or any other equivalent occupation for which such person is fitted by knowledge or training	100% (one hundred percent)
Loss of four fingers	70% (seventy percent)
Loss of thumb:	
Both phalanges	30% (thirty percent)
One phalanx	15% (fifteen percent)
Loss of index finger:	
Three phalanges	15% (fifteen percent)
Two phalanges	10% (ten percent)
One phalanx	5% (five percent)
Loss of any other finger - each finger:	
Three phalanges	10% (ten percent)
Two phalanges	8% (eight percent)
One phalanx	5% (five percent)
Loss of metacarpals:	
First or second (additional)	3% (three percent)
Third, fourth or fifth (additional)	2% (two percent)
Loss of toes:	
All on one foot	30% (thirty percent)
Great (both phalanges)	10% (ten percent)
Great (one phalanx)	5% (five percent)
Other than great, if more than one toe lost, each	5% (five percent)

MEMORANDA

- Where the injury is not specified, the Insurer will pay such sum as, in their opinion, is consistent with the above provisions.
- Permanent total loss of use of part of the body shall be treated as loss of such part.
- 100 (one hundred) percent shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

DEFINITIONS

1. Emergency medical treatment

shall mean medical treatment administered in response to an injury that of necessity requires immediate medical attention.

2. Illness

shall mean bodily illness, sickness or disease.

3. Injury

shall mean bodily injury caused by accidental, violent, external and visible means.

4. Insured person

shall mean the principal, partner, director or employee of the Insured.

5. Medical emergency

shall mean any injury that threatens human life and which requires immediate medical intervention to preserve life.

6. Medical expenses

shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 (twenty-four) months of the defined event. Medical expenses will be deemed to include antiretroviral and prophylactic medication/treatment to avoid contracting the human immunodeficiency virus (HIV) as a direct result of bodily injury caused by accidental, violent, external and visible means, provided that the insured person is not human immunodeficiency virus (HIV) positive at the time of the treatment.

7. Temporary total disability

shall mean total and absolute incapacity from following usual business or occupation.

RESTRICTED COVER (IF STATED IN THE SCHEDULE TO BE APPLICABLE)

1. Business limitation

This section applies only in respect of accidental bodily injury to such person arising from and in the course of their employment in the business.

2. Business hours plus commuting limitation

This section applies only in respect of accidental bodily injury to the insured person arising from and in the course of their employment with the Insured including travelling to and from work in a direct and timeous manner.

PROVISOS

It is declared and agreed that:

1. Limit any one person/conveyance/premises

the Insurer's liability in respect of:

- a) death and permanent disability is limited to the amount stated in the Schedule for any one insured person in respect of any one accident or series of accidents arising from one cause; and
- b) compensation for all persons insured under the stated benefits and personal accident sections of this policy while travelling in any one conveyance or while at any one premises is limited to the amount stated in the Schedule.

2. Maximum compensation

the Insurer shall not be liable to pay for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one insured person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability, medical expenses and any extensions which are applicable.

3. Age limits

unless otherwise provided herein, this section shall not apply to any insured person:

- a) before they attain 15 (fifteen) years of age, or
- b) after the expiry of the period of insurance in which they attain 75 (seventy-five) years of age.

4. Workmen's compensation enactment

any compensation payable by the Insurer for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of medical expenses.

5. Medical examinations

after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the Insurer to do so, submit to medical examination and undergo any treatment specified. The Insurer shall not be liable to make any payment unless this proviso is complied with to its satisfaction.

6. General conditions

General Conditions 19 and 23 do not apply to this section.

7. War

in respect of this section only, General Exception 9 is deleted and replaced by the following:

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

SPECIFIC EXCEPTIONS

The Insurer shall not be liable to pay compensation for death, disability or medical expenses in respect of such person,

1. while they are travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
2. by their suicide or intentional self-injury;
3. caused solely by an existing physical defect or other infirmity of such person;
4. as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by a member of the medical profession (other than themselves) or unless prescribed by and taken in accordance with the instructions of a member of the medical profession (other than themselves);
5. as a result of their participation in any riot or civil commotion;
6. while they are, or as a result of their engaging in:
 - a) motor cycling (whether as a driver or passenger) other than on the business of the Insured;
 - b) racing of any kind involving the use of any power-driven:
 - i) vehicle;
 - ii) vessel; or
 - iii) craft; or
 - c) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang-gliding.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Additional death benefit (only applicable if the death benefit is insured)

The Insurer will pay in addition to the capital sum a further amount for funeral expenses for accidental death to the insured person, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule; and
- b) the Insured can prove to the satisfaction of the Insurer that the insured person is a principal, partner, director or employee of the Insured at the time of the incident.

2. Childcare assistance

The childcare assistance benefit will become payable by the Insurer to cover the cost of a professional childminder in the event of the following:

- a) if the insured person suffers bodily injury which results in an insured event covered under this section of the policy and stated in the table of benefits, or:
- b) the above insured person's child suffers bodily injury which results in an insured event covered under this section of the policy and stated in the table of benefits,
provided that:
 - i) the child is under the age of 17 (seventeen) years, unless mentally handicapped;
 - ii) the insured person can provide proof that the professional childminder was hired;
 - iii) the maximum amount payable is R200 (two hundred Rand) per day up to a maximum of R10,000 (ten thousand Rand) irrespective of the number of children;
 - iv) the benefit will only be payable for a period not longer than 28 (twenty-eight) days;
 - v) the benefit will only be payable if the child permanently resides with the insured person; and
 - vi) a 7 (seven) days excess period will apply.

3. Crime

In the event of the insured person's death or permanent total disablement as a result of an accident which is as a direct result of a crime, the Insurer will pay an additional 10 (ten) percent of the insured person's death or permanent total disablement benefit up to the maximum stated in the table of benefits.

4. Detention

In the event of the detention under duress of any insured person, other than by reasons of:

- a) engagement (or alleged engagement) in any political activity against the de jure or de facto government of the country where the detention occurs;
- b) failure to be in possession of the requisite visas, work permits or associated documents required by such country;

- c) involvement (or any allegation thereof) in any criminal activity; or
- d) debt, insolvency, commercial failure, failure to provide any bond or security or other financial loss;

the cover in terms of this section shall continue in force for the duration of such an occurrence, or 12 (twelve) months from the date of such occurrence, whichever is the lesser period.

If temporary total disability is insured, the Insurer will regard detention of the insured person as a claim for temporary total disability.

5. Disappearance

In the event of the disappearance of any insured person in circumstances which satisfy the Insurer that he has sustained injury to which this section applies, and that such injury has resulted in his death, the Insurer will, for the purposes of the insurance afforded by this section, presume his death provided that if, after the Insurer shall have made payment hereunder in respect of his presumed death, he is found to be alive, such payment shall forthwith be refunded by the Insured to the Insurer subject to the Insured being able to recover such payment from the person(s) to whom it was paid.

6. Exposure

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

7. Emergency transportation/search and rescue

The Insurer will pay costs and expenses in addition to the cover provided under the medical expenses extensions necessarily incurred for:

- a) emergency transportation; and
- b) search and rescue, including freeing and bringing an insured person to a place of safety;

as a result of, or in order to prevent, accidental bodily injury to an insured person, provided that:

- a) the Insurer will not be liable if an insured person is found in circumstances which are unlikely to result in accidental bodily injury;
- b) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one insured person for each and every claim.

8. Hijacking, abduction or kidnapping

If there is an unlawful seizure or wrongful exercise of control of any aircraft or conveyance (including the crew thereof) in which the insured person is travelling, or if the insured person is abducted or kidnapped, the cover in terms of this section shall continue in force for the duration of such an occurrence, or 12 (twelve) months from the date of such occurrence, whichever is the lesser period.

If temporary total disability is insured, the Insurer will regard the hijacking, abduction or kidnapping of an insured person as a claim for temporary total disability, provided that:

- a) the Insurer's liability is limited to the period of hijacking, abduction or kidnapping or eight weeks, whichever is the lesser; and
- b) no compensation shall be payable if any member of the insured person's immediate family is involved in the hijacking, abduction or kidnapping as a principal or accessory.

9. Life support machinery

Notwithstanding anything contained in the defined events, the 24 (twenty-four) month period stated therein shall not include any period or periods where the death of the insured person is delayed solely by the use, for periods of not less than 3 (three) consecutive days, of life support machinery, equipment or apparatus.

The Insurer will, in addition to any compensation payable, pay for the reasonable costs and expenses incurred as a result of a defined event in respect of hire costs for life support machinery, equipment or apparatus, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one insured person for each and every claim; and
- b) this extension shall not increase the maximum compensation payable by the Insurer in terms of Proviso 1 (Accumulation limit).

10. Mobility

When the Insurer has admitted a claim for permanent total disablement and as a direct result of that disablement the insured person is permanently dependent on a wheelchair for mobility, the Insurer will pay for:

- a) a self-propelled wheelchair; and/or
- b) the modification of the controls to the insured person's motor vehicle and (if necessary) the fitting of wheelchair loading equipment; and/or
- c) alterations to the insured person's residence to facilitate the use of such wheelchair up to the amount stated in the Schedule.

11. Paraplegia

When the Insurer has admitted a claim for permanent total disability, and as a direct result the accidental bodily injury results in complete paralysis of the lower half of the body, including both legs, of the insured person, the Insurer will, in addition to any amount payable for permanent total disability, pay 10 (ten) percent of the benefit paid for permanent total disability subject to a minimum of R50,000 (fifty thousand Rand) and up to a maximum of R500,000 (five hundred thousand Rand).

12. Quadriplegia

When the Insurer has admitted a claim for permanent total disability, and as a direct result the accidental bodily injury results in complete paralysis of all four limbs of the insured person, the Insurer will, in addition to any amount payable for permanent total disability, pay 25 (twenty-five) percent of the benefit paid for permanent total disability subject to a minimum of R100,000 (one hundred thousand Rand) and up to a maximum of R1,000,000 (one million Rand).

13. Rehabilitation

Where the Insurer has admitted a claim for permanent disability, and as a direct result of that disability an insured person is unable to follow his usual business or occupation but can be retrained to carry out another business or occupation, the Insurer will, in addition to any permanent disability benefit agreed, pay 80 (eighty) percent of the retraining costs, plus any costs incurred in adjusting the insured person's workplace, provided that the maximum amount payable by the Insurer in respect of an accident or series of accidents arising from one cause will not exceed the amount stated in the Schedule for any one insured person.

14. Repatriation of costs (only applicable if the death benefit is insured)

The Insurer will pay in addition to the capital sum stated in the Schedule reasonable and necessary expenses for any insured person who is hospitalised away from their normal place of residence and requires medical assistance in order to return, will be repatriated, by road or air, whichever is the most appropriate, to their home town hospital or residence within the area and, in the event that death occurs whilst the insured person is away from home, repatriation of the mortal remains will be performed to the member's city or town of residence.

In addition to the above, the Insurer will pay reasonable and necessary expenses in the event that any minors are left stranded due to a medical emergency occurring or death of an insured person whilst such insured person is away from home. Arrangements will be made to accompany the minors back to their residence or to another place of safety, on condition that both the latter are in the area, provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one insured person for each and every claim; and
- b) the Insured can prove to the satisfaction of the Insurer that the insured person is a principal, partner, director or employee of the Insured at the time of the incident.

15. Seat belt extension

The Insurer will pay an additional 10 (ten) percent of the insured person's death or permanent total disablement benefit, up to the maximum amount as stated in the table of benefits, provided that the insured person was wearing a properly fastened, original, factory-installed seat belt while operating or travelling as a passenger in a private motor vehicle when the accident causing the death or permanent total disablement occurs. Verification of the actual use of the seat belt at the time of the accident must be a part of an official report of the accident or must be certified in writing by the investigating officer(s).

16. Substitute persons

Any person employed by the Insured during the period of insurance as a direct replacement for an insured person named in the Schedule will automatically be covered by this section, provided that:

- a) such changes are declared to the Insurer at the end of the period of insurance; and
- b) there is no difference in occupation between the substitute person and the person being substituted.

17. Territorial limits

Coverage applies anywhere in the world unless otherwise restricted by an endorsement and/or memorandum to this policy.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms, exclusions and conditions of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule.

1. Assault and trauma cover

Should an insured person sustain psychological trauma necessitating counselling by a qualified and registered professional counsellor, psychiatrist or psychologist, the Insurer will in addition to and subject to any compensation payable for permanent disability and/or temporary total disability, pay such person's counselling expenses up to the limit of compensation as specified in the Schedule. The Insurer will provide unlimited telephonic counselling as a result of any traumatic event, including:

- a) attempted theft or hold up;
- b) burglary;
- c) the hijacking or attempted hijacking of a vehicle;
- d) medical trauma following a defined event;
- e) assault or violent crime;
- f) a motor vehicle accident;
- g) kidnapping;
- h) bereavement following the death of an insured person;
- i) post-traumatic stress;
- j) potential human immunodeficiency virus (HIV) exposure; and
- k) a disability as defined in this section of the policy;

provided that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule for any one insured person for each and every claim; and
- b) the Insured can prove to the satisfaction of the Insurer that the insured person is a principal, partner, director or employee of the Insured at the time of the incident.

2. Burns disfigurement

Subject to the exclusion shown below, the following item is added to the definition of Permanent disability:

Permanent disfigurement resulting from accidental external burns to the combined surface area of the	Percentage of compensation
Face and neck: 100% surface area disfigurement Less than 100% surface area disfigurement	50% (fifty percent) The proportion of 50 (fifty) which the actual surface area disfigurement bears to 100% (one hundred percent) surface area disfigurement
Remaining parts of the body other than the face and neck: 100% (one hundred percent) surface area disfigurement Less than 100% (one hundred percent) surface area disfigurement	25% (twenty-five percent) The proportion of 25 (twenty-five) which the actual surface area disfigurement bears to 100% (one hundred percent) surface area disfigurement

The Insurer shall not pay under any sub-item of this extension unless the disfigurement exceeds 10 (ten) percent for the sub-item under which a claim is lodged.

3. Mountaineering with rope

It is hereby declared and agreed that Specific Exception (f) (iii) is amended to read as follows:

winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang-gliding.

4. Passive war

Notwithstanding anything to the contrary contained in Proviso 6, bodily injury shall be deemed to include injury to such person caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war is declared or not), civil war, insurrection, rebellion, revolution, military or usurped power, provided that:

the Insurer shall not be liable to pay compensation for death, disability or medical expenses in respect of such person as a result of such person directly and/or actively taking part or engaging in aforementioned activities whilst serving in any armed force or otherwise, save, where applicable, only to the extent of taking such actions or steps as are reasonably required to protect themselves, their family or the property of their employer.

If the Insurer alleges that, by reason of the proviso, the bodily injury to such person is not covered by this extension the burden of proving the contrary shall rest on the Insured.

5. Polo on horseback

It is hereby declared and agreed that Specific Exception (f) (iii) is amended to read as follows:

mountaineering necessitating the use of ropes, winter sports involving snow or ice, steeplechasing, professional football or hang-gliding.

6. Private motorcycling

It is hereby declared and agreed that Specific Exception (f) (i) is deleted.

DEFINED EVENTS

The Insurer will, subject to the terms of this Policy and this section, indemnify the Insured for all Costs and Expenses and Compensation for which the Insured shall become legally liable to pay consequent upon Injury or Damage which occurred in the course of or in connection with the Business within the territorial limits and on or after the retroactive date shown in the Schedule, and which results in a claim or claims first being made against the Insured in writing during the Period of Insurance.

DEFINITIONS

For the purposes of determining the indemnity granted by this section the following terms shall mean:

1. Business

The business is as described in the Schedule and will also include:

- a) the ownership, repair, maintenance or use of the Insured's premises;
- b) the provision and management of canteen, social, sports and welfare organisations for the benefit of the Insured's Employees;
- c) the provision and management of security, fire, first aid and ambulance services;
- d) private manual work, carried out with the consent of the Insured, for any director, partner, or senior official of the Insured by any Employee.

2. Compensation

Monies paid or payable by judgement, award or settlement together with any liability on the Insured's part to pay legal costs and expenses (other than those defined as Costs and Expenses) in connection with an Occurrence. Compensation does not include awards or damages of a punitive or exemplary nature whether in the form of fines, penalties, multiplication of compensation awards or damages or aggravated damages or any other form whatsoever.

3. Computer System

Any electronic hardware or software, or components thereof, that are used to store, process, access, transmit or receive information.

4. Costs and expenses

Costs, charges and expenses incurred by the Insured with the Insurer's prior consent:

- a) in the defence or settlement of any claim under this section of the policy or any action or prosecution bought against the Insured in respect of Injury or Damage or other liability as Insured in terms of this section of the policy.
- b) in the representation at any inquest or accident inquiry in respect of Injury which may form the subject of indemnity under this section of the policy and/or in defending any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this Section of the Policy.
- c) for such emergency medical treatment as may appear necessary in respect of Injury which may form the subject of indemnity by this section.

5. Damage

Loss of or physical damage to tangible property or wrongful interference with the enjoyment of rights over tangible property.

6. Electronic Data

Any data stored on a Computer System

7. Employee

- a) any person under a contract of employment or apprenticeship with the Insured;
- b) any labour master or labour only sub-contractor or person supplied by any of them;
- c) any self-employed person;
- d) any person under a contract of employment or apprenticeship with another employer, and who is hired to, or borrowed by the Insured;
- e) any person participating in any government, or otherwise authorised work experience, training, study, exchange, or similar scheme;
- f) any voluntary persons; while engaged in work for the Insured in connection with the Business.

8. Injury

- a) death, bodily injury, mental injury, illness (mental or physical) or disease of or to any person.
- b) death, injury, illness, or disease; and injury may also include nervous shock, mental anguish or mental illness.
- c) bodily Injury, invasion of the right to privacy, discrimination, libel and slander, defamation of character, wrongful arrest, detention, imprisonment, eviction or wrongful accusation of shoplifting.

9. Insured

- a) the first named party stated in the Schedule;

- b) at the request of the Insured:
 - i) any subsidiary company of the Insured declared to the Insurer;
 - ii) any director, partner or employee of the Insured, while acting on behalf of or in the course and scope of their employment or engagement by the Insured;
 - iii) any officer, member, or employee of the Insured's canteen, social, sports, welfare organisation, fire, first aid or ambulance services (but excluding medical practitioners while working in a professional capacity) in their respective capacities as such;
 - iv) any director, partner, or senior official of the Insured in respect of private manual work carried out by any employee of the Insured for any such person, with the consent of the Insured;
 - v) any principal, in his capacity as such, for liability arising out of work performed for or on behalf of such principal by the Insured, in respect of liability for which the Insured would have been entitled to an indemnity under this section of the policy if the claim had been made against the Insured.
- c) in the event of the death of the Insured, the personal representatives of the Insured in respect of liability incurred by the Insured.

10. Personally Identifiable Information

Any data that can be used to contact or identify a specific individual.

11. Pollution

The emission, discharge, release, dispersal, disposal, seepage or escape of solid, liquid, gaseous or thermal contaminants or irritants, including vapours, smell, odours, humidity, fumes, smoke, soot or other airborne particulates, acids, alkalis, chemicals and waste, electromagnetic waves, noise, vibrations, other emission or effluent or noxious substances into or upon the soil, the atmosphere or any watercourse or body of water.

12. Product

Any tangible property (including containers and labels) after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured excluding food and drink supplied incidentally for consumption on the premises of the Insured.

LIMITS OF INDEMNITY

The amount payable, inclusive of any Costs and Expenses for any one event or series of events with one originating cause or source, shall not exceed the limit of indemnity stated in the Schedule.

In the event of any one originating cause giving rise to a claim or series of claims which form the subject of indemnity by more than one extension of this section, each extension shall apply separately and be subject to its own separate limit of indemnity, provided always that the total amount of the Insurer's liability shall be limited to the highest limit of indemnity available under any one of the extensions affording indemnity for the claim or series of claims.

TERRITORIAL LIMITS

Anywhere in the world but not in connection with:

1. any business carried on by the Insured at or from premises outside; or
2. any contract for the performance of work outside:
 - the Republic of South Africa, Namibia, Botswana, Lesotho, eSwatini, Zimbabwe and Malawi.

SPECIFIC EXCEPTIONS

The Insurer will not indemnify the Insured in respect of:

1. Aircraft

Liability caused by or through or in connection with:

- a) the refuelling or defueling of aircraft;
- b) the ownership, possession, maintenance, operation or use of aircraft, drone or an airline;
- c) the ownership, hire or leasing of any airport, airstrip or helicopter pad.

2. Contractual liability

Liability assumed by agreement unless liability would have attached to the Insured notwithstanding such agreement. This specific exclusion does not apply to the Insured's own Standard Conditions of Contract or such other contracts or agreements lodged with and agreed to in writing by the Insurer.

3. Deliberate or intentional acts

Liability consequent upon Injury or Damage arising out of the deliberate, conscious and intentional disregard by the Insured's management of the need to take reasonable precautions to prevent any event or circumstance which may give rise to a claim.

4. Cyber liability

Any access to or disclosure of any person's organisation's confidential or personal information, including any Personally Identifiable Information, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of non-public information; or the loss of, loss of use of, damage to, corruption of, inability to access or inability to manipulate any Computer System or Electronic Data.

5. Employees

Liability consequent upon Injury to any Employee and arising from and in the course of such employment by the Insured.

6. Events known to the Insured

Any claim arising from an event known to the Insured:

- a) which is not reported to the Insurer in terms of General Condition 7: Claims;
- b) prior to inception of this section or inception of any extension under this section.

7. Excess

The excess stated in the Schedule. The provisions of this Specific Exclusion apply to Costs and Expenses incurred by the Insured.

8. Fines, penalties, etc.

Fines, penalties, punitive, exemplary or vindictive damages.

9. Jurisdiction

Damages in respect of judgement (or any order to enforce such judgement), award or settlement made or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa. This specific exclusion includes costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in nor recoverable in the Republic of South Africa.

10. Pollution

- a) liability in respect of Injury, Damage or loss of use of property directly or indirectly caused by seepage, Pollution or contamination, provided always that this Specific Exclusion shall not apply where such seepage, Pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;
- b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, Pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.

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

11. Products

Liability caused by or through or in connection with any Product.

12. Professional advice

Liability consequent upon Injury or Damage caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the Insured.

13. Property in custody or control

Damage to:

- a) property belonging to the Insured other than property belonging to any partner, director or employee of the Insured or any visitor to the Insured's premises;
- b) property in the custody or control of the Insured or any Employee of the Insured, but this exclusion shall not apply to:
 - i) premises (or the contents thereof) temporarily occupied by the Insured for work therein;
 - ii) loss of or Damage to vehicles and their contents and accessories, the property of tenants, customers, visitors or Employees of the Insured using parking facilities provided by the Insured.
 - iii) premises (including fixtures or fittings and/or the contents thereof) leased or hired by, or rented to or occupied by the Insured as tenant (but not as the owner) under a written contract or agreement, provided that this exception (iii) shall not apply to liability:
 - a. assumed by the Insured under such contract or agreement, which would not have attached in the absence of such contract or agreement, unless agreed to in writing by the Insurer;
 - b. for fire or any other event against which such contract or agreement requires that insurance is effected;
 - c. arising out of breach of any term, condition, or warranty under any other applicable insurance policy.
- c) that part of any property on which the Insured is or has been working if such Damage results directly from such work.

14. Unlawful competition

Any claim or claims whether actual or alleged howsoever arising in connection with or based upon or arising from or in any way involving actual or alleged unlawful competition, unfair practices, abuse of monopoly power, cartel activities or as may otherwise arise from or be based upon or relate to any breach of a provision of the Competition Act, 1998 (as amended) or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the Insured's liability arose.

15. Vehicles, watercraft, locomotives

Liability caused by or through or in connection with the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft (other than non-motorised watercraft not exceeding 6 (six) meters in length and used only on inland waterways), locomotive or rolling stock.

This Specific Exclusion does not apply:

- a) Loading and unloading

in respect of liability consequent upon Injury or Damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the loading or unloading of any vehicle, insofar as such Injury or Damage is not insured by any other insurance policy.

b) Tool of trade

in respect of liability arising from the operation as a tool of any vehicle or plant forming part of such vehicle or attached thereto, provided that the Insurer shall not be liable hereunder in respect of so much of any liability as falls within the scope of any form of motor insurance or compulsory third party insurance legislation, despite the fact that no such insurance is in force or has been effected, nor shall the Insurer be liable where any other form of motor insurance has been effected by the Insured covering the same liability.

c) Transnet and other government departments

in respect of liability:

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

d) Unattached trailers

in respect of any trailer not attached to and not having become unintentionally detached from any mechanically propelled vehicle, provided that the Insurer shall not be liable hereunder in respect of so much of any liability:

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

16. Vibration and removal of support

Damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure.

MEMORANDUM

In respect of this section only, General exception 9 is deleted and replaced by the following:

This section does not cover Injury, Damage or liability directly or indirectly caused by, related to, or in consequence of:

- a) civil commotion, labour disturbances, riot, strike, lock out or public disorder or any act or activity which is calculated or directed to bring about any of the aforementioned;
- b) war, invasion, act of foreign enemies, hostilities or war-like operations (whether war be declared or not) or civil war;
- c) mutiny, military rising, military or usurped power, martial law or state of siege or any other event which determines the proclamation or maintenance of martial law or state of siege;
- d) insurrection, rebellion or resolution,
- e) 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 or violence;
- f) 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 for the purpose of inspiring fear in the public or any section thereof;
- g) Terrorism;
- h) any attempt to perform any act referred to in a), b), c), d), e), f) or g) above;
- i) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to a), b), c), d), e), f) or g) above.

If the Insurer alleges that by reason of the provisions of this General Exception, loss or damage is not covered by this Policy then the burden of proving the contrary will rest on the Insured.

For the purposes of this Memorandum, Terrorism shall mean the use or threatened use of force or violence against person or property, or commission of an act dangerous to human life or property, or commission of an act that interferes with or disrupts an electronic or communication system, undertaken by any person or group, whether or not acting on behalf of or in connection with any organisation, government, power, authority or military force, when the effect is to intimidate or coerce a government, the civilian population or any segment thereof, or to disrupt any segment of the economy.

Terrorism will also include any act which is verified or recognised by the Republic of South Africa's Government as an act of terrorism.

SPECIFIC CONDITIONS

1. Claims first made in writing against the Insured

Any claim first made in writing against the Insured after the expiry date of the Period of Insurance as a result of a defined event reported in terms of General Condition 7: Claims during the Period of Insurance (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Insurer.

2. Manifestation clause

When the facts do not speak for themselves and the Insurer and the Insured cannot mutually agree when the injury or damage occurred, then for the purposes of determining the indemnity granted:

- a) the Injury shall be deemed to have occurred when the claimant first consulted a qualified practitioner regarding such Injury, whether or not it was correctly diagnosed at the time. If no such consultation took place, then the Injury shall be deemed to have occurred when the Insured was first advised of the Injury.
- b) the Damage shall be deemed to have occurred when it first became evident to the claimant, even if the cause is unknown.

3. Series of claims from one original cause

Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one originating cause or source shall be treated as if they all had first been made against the Insured:

- a) on the date that the event was reported by the Insured in terms of General Condition 7; or
- b) if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

1. Acquisitions and new business

The indemnity granted by this section of the policy extends to any company formed and/or acquired by the Insured during the period of insurance for a period of 90 (ninety) days of such formation and/or acquisition.

Provided always that:

- a) the retroactive date in respect of such new company shall be deemed to be the date when a newly formed and/or acquired company first purchased liability insurance of the type hereby Insured on a "claims made" basis, subject to a declaration from the newly acquired company's previous management of no known or reported claims or circumstances likely to give rise to a claim at the date of acquisition. In the event of no such declaration, the retroactive date shall be the date of such acquisition;
- b) the Insured's business activities remain unchanged;
- c) the annual turnover of all newly formed and/or acquired companies does not exceed 5% (five percent) of the estimated annual turnover of the Insured as advised to the Insurer at inception hereof;
- d) the Insured shall advise the Insurer of such formations and/or acquisitions before the expiry of 90 (ninety) days thereof and the Insurer may amend the terms of this section of the policy accordingly.

2. Additional insured

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

- a) in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured;
- b) any partner or director or employee of the Insured (if the Insured so requests) against any claim for which the Insured is entitled to indemnity under this insurance;
- c) to the extent required by the conditions of any contract and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by the Insured for the purposes of the Business;
- d) in respect of the activities of any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like, belonging to or formed by the Insured for the benefit of their employees;
 - i) any officer or member thereof;
 - ii) any visiting sports team or member thereof;

provided that:

- a) the aggregate liability of the Insurer is not increased beyond the limits of indemnity stated in the Schedule;
- b) any person or organisation to which this extension applies is not entitled to indemnity under any other policy;
- c) the indemnity under a), b) and c) applies only in respect of liability for which the Insured would have been entitled to indemnity if the claim had been made against the Insured.

For the purposes of this extension, the Insurer waives all rights of subrogation or action which they may have or acquire against any of the above, and each party to whom the indemnity hereunder applies shall observe, fulfil and be subject to the terms of this policy in so far as they can apply.

3. Cross liabilities

Where more than one Insured is named in the Schedule, the Insurer will indemnify each Insured separately and not jointly, and any liability arising between such Insureds shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Insurer shall not exceed the limit of indemnity stated in the Schedule.

4. Emergency medical expenses

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

5. Gratuitous advice

Notwithstanding anything to the contrary contained in the Specific Exceptions, the Insurer will indemnify the Insured in respect of all sums which the Insured shall become legally liable to pay arising out of incorrect or inadequate advice given in the course of the Business, provided such advice is not given for a fee. The Insurer hereby agrees that they will not raise as a defence to granting indemnity under this section that no Damage (as envisaged by the Defined Events of this section) has occurred, provided always that the amount payable under this extension shall not exceed the limit of indemnity for this extension stated in the Schedule..

The Insurer will not indemnify the Insured for:

- a) liability arising out of the insolvency, liquidation or judicial management of the Insured or of any party who enters into an agreement with the Insured;

- b) liability arising out of financial services and/or cost estimates provided by or on behalf of the Insured;
- c) liability arising out of defamation;
- d) liability arising out of design, formula, supervision, treatment or advice given by or on behalf of the Insured in exchange for a fee;
- e) penalty clauses or performance warranties unless proven that liability would have attached in the absence of such clauses or warranties;
- f) loss of or damage to any electronic data howsoever caused including detrimental change thereto and any consequence arising therefrom;
- g) liability arising out of technical information or advice given in connection with a Product unless the extension for Products Liability is included in the Schedule.

Provided always that:

- a) if at the time of any event giving rise to a claim under this extension, indemnity is also provided under any other insurance, this extension shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by such other insurance;
- b) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- c) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension.

CLAUSES AND EXTENSIONS: OPTIONAL

Subject otherwise to the terms of this section and the General section, the cover under this section is amended or extended as set out below under each clause and extension where applicable as indicated in the Schedule to be included.

1. Care, custody and control

Notwithstanding anything to the contrary contained in the Specific Exceptions, the Insurer will indemnify the Insured against liability for Damage to third party property temporarily in the Insured's possession for storage (hereinafter referred to as property) insofar as such property is not the subject of any material damage policy available to the Insured.

The Insured will however not indemnify the Insured for:

- a) damage to or liability for property of any kind being transported in or on a Vehicle (other than whilst being loaded or unloaded beyond the limits of any carriageway or thoroughfare);
- b) loss of property due to the dishonest act of any Employee or any person to whom the property is entrusted, whether acting alone or in collusion with others;
- c) willful and illegal sale of property by the insured;
- d) forged warehouse receipts;
- e) mechanical or electrical malfunction or non-function of property for reasons other than obvious external damage;
- f) damage to property caused by rust, wear and tear, gradual deterioration, moths, vermin, termites, insects, inherent vice or damage due to or resulting from any repairing, restoration or retouching process;
- g) delay, loss of market, consequential loss of any kind, depreciation, deterioration or change brought about by any natural causes;
- h) damage to accounts, bills, deeds, evidence of debt, securities, current coins (including Krugerrands and similar coins), bank and currency notes, travellers' and other cheques, money and postal orders, current unused postage, revenue and holiday pay stamps, credit card vouchers and other certificates, documents or instruments of a negotiable nature;
- i) damage to furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art
- j) loss of or injury to livestock and animals.

This extension is subject to the Insured complying with the following special conditions of storage:

- a) property shall only be accepted for storage by the Insured if the person wishing to store the property has agreed to the terms and conditions contained in the Insured's standard conditions of storage by signing and dating the Insured's document; and
- b) a copy of these terms and conditions has been lodged with the Insurer and may not be varied or altered in any way without the Insurer's written consent.
- c) property must be stored in a warehouse/building occupied by the Insured as owner or tenant.

It is a condition precedent to liability of the Insurer under this extension that if a claim arises in respect of property already in storage at the inception date of this extension, then the onus is on the Insured to prove that any Damage to such property occurred subsequent to that inception date.

Provided always that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension.

2. Employers liability (including employee to employee liability)

Notwithstanding anything to the contrary contained in the Specific Exceptions, the indemnity granted hereby shall extend at the Insured's option and subject to the agreement of the Insurer (which agreement shall not be unreasonably withheld) to any employee of the Insured in respect of their liability to any other employee whilst acting in the scope of their employment with the Insured, provided always that:

- a) such employee shall as if they were Insured, observe, fulfil and be subject to the terms, exclusions and conditions of this section and the general conditions and exceptions of this policy insofar as they can apply;
- b) if at any time of defined event there is but for the existence of this extension there would be any other insurance or indemnity in favour of or effected on behalf of such employee, applicable to such defined event, the Insurer shall not be liable to indemnify the employee in terms of this extension.

This extension does not cover liability:

- a) assumed by the Insured under any contract, undertaking or agreement where such liability would not have attached to the Insured in the absence of such contract, undertaking or agreement;
- b) for disease or impairment attributable to a gradually operating cause which does not arise from a sudden identifiable accident or event;
- c) fines, penalties, punitive, exemplary or vindictive Damages;
- d) Damage in respect of judgements delivered or obtained in the first instance in a court that does not have competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho or eSwatini;
- e) Costs and Expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the countries mentioned in (d) above;
- f) any claim arising from an event known to the Insured prior to inception of this section and which was not reported to the Insurer in terms of General Condition 7: Claims;

Provided always that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension.

3. Extended reporting option

At the option of the Insured and subject to payment of an additional premium to be determined and subject to all terms of this section, the Insurer agrees to extend the period during which the Insured may report an event in terms of General Condition 7: Claims, for a period to be agreed, but in no circumstances exceeding 36 (thirty six) months (hereinafter referred to as Extended Reporting Period), provided that:

- a) this option may only be exercised in the event of the Insurer cancelling or refusing to renew this section;
- b) this option may only be exercised by the Insured in writing within 30 (thirty) days of cancellation or non-renewal of this section;
- c) once exercised, the option cannot be cancelled by either the Insured or the Insurer;
- d) the Insured has not obtained insurance equal in scope and cover to this section as expiring;
- e) the Insurer shall only be liable for a Defined Event which occurred after the retroactive date but prior to date of cancellation or non-renewal;
- f) claims first made against the Insured or any reported events by the Insured during the Extended Reporting Period shall be treated as if they were first made or reported on the last day preceding the date of cancellation or non-renewal;
- g) the total amount payable by the Insurer for claims made of reported events during the Extended Reporting Period shall not have the effect of increasing the limit of indemnity applicable as on the last day preceding the date of cancellation or non-renewal.

4. Forecourt liability

Notwithstanding anything to the contrary contained in the Specific Exceptions, the Insurer will indemnify the Insured against liability arising from Damage to vehicles belonging to customers caused by the Insured or any forecourt employee of the Insured:

- a) providing forecourt services;
- b) failing to correctly tighten or close caps or lids or the bonnet or boot of such vehicle after providing forecourt services;
- c) providing car wash or valet services.

Damage for the purposes of this extension shall include:

- a) the costs incurred in cleaning the fuel or lubrication system of the vehicle whether visible physical Damage has been caused by the incorrect dispensing of fuel and/or lubricants or not. Damage shall not include the cost of the fuel and/or lubricant dispensed;
- b) the costs incurred in providing the customer with a hire car for the duration of the period for repairs.

Forecourt service shall mean the dispensing of fuel and/or top-up lubricant and/or the topping up of water and other reservoirs in or on the vehicle and/or the inflation/deflation of tyre pressures and/or the cleaning of window glass and shall not include any form of mechanical and/or electrical repair or service nor the removal repair or fitting of any tyre wheel or tube.

Provided always that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension.

5. Products liability

Notwithstanding anything to the contrary contained in the Specific Exceptions, the Insurer will indemnify the Insured in respect of Defined Events happening elsewhere than at premises occupied by the Insured and caused by Products (including wrongful delivery and delivery of incorrect Products).

The amount payable under this extension, during any one (annual) period of insurance shall not exceed in the aggregate the limit of indemnity for this extension stated in the Schedule.

This extension does not cover liability:

- a) for the cost of repair, alteration, recall, reconditioning or replacement of the Products or part thereof (including containers and labels) causing Injury or Damage and/or loss of use of any Product or part thereof;

For the purposes of this additional specific exclusion the term "replacement" shall be deemed to include any credit or refund granted or alternative Product provided by or on behalf of the Insured in lieu of replacement of the defective Product;

- b) for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the Product and any other property essential to such repair, alteration or replacement unless physically Damaged by the Product;

- c) that part of any property on which the Insured is or has been working if such Damage results directly from such work;
- d) arising from the failure of any Product or any part thereof to fulfil its intended function or to perform as specified, warranted or guaranteed but this exclusion shall not apply to consequent Injury or Damage;
- e) arising from Products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft;
- f) in respect of Injury or Damage happening in the United States of America or Canada caused by or through or in connection with any goods or Products sold or supplied by or to the order of the Insured, if such goods or Products have, to the Insured's knowledge, been exported to the United States of America or Canada by or on behalf of the Insured;
- g) for any defect in any Product or any part thereof of which the Insured was aware prior to the inception of this extension;
- h) arising from defective or faulty design, formula plan or specification unless the Insured's business activities are wholly restricted to sales, distribution and/or marketing of the Product and do not include the final preparation of the Product which means repackaging, packing, labelling, cleaning or provision of operating instructions prior to sale to the Insured's original customers or include any enhancement, amendment or alteration of the Product;
- i) arising from inefficacy or failure of a Product to conform to specification.

Provided always that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension

6. Statutory legal defence costs

If the Insured so requests, the Insurer will indemnify any employee, partner or director of the Insured against Costs and Expenses incurred by or on behalf of such person with the consent of the Insurer in the defence of any prosecution of such person in the course of his occupation with the Insured during the period of insurance. and arising from an alleged contravention of any statute other than:

- a) the Companies Act, 2008 or any act passed in substitution thereof, or any other similar legislation in any other jurisdiction;
- b) any statute governing the ownership, use or licensing of motor vehicles, aircraft or watercraft;
- c) the National Environmental Management Act as read in conjunction with the Criminal Procedure Act, 1955 or any act passed in substitution thereof;
- d) any statute governing the use of labour.
- e) Provided that:
 - i) in the case of an appeal, the Insurer shall not indemnify such person unless a senior counsel approved by the Insurer shall advise that such appeal should, in his/her opinion, succeed;
 - ii) the Insurer shall not indemnify such person in respect of any fine or penalty imposed or any loss consequent thereon;
 - iii) such person shall, as though they were the Insured, observe, fulfil and be subject to the terms, exclusions and conditions of this section and the general conditions and exceptions of this policy in so far as they can apply.
 - iv) if the prosecution arises from or in connection with any Product, the Insurer will only indemnify the Insured or any employee, partner or director of the Insured if the extension for Products liability is stated in the Schedule to be included.
 - v) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
 - vi) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension

7. Wrongful arrest and defamation

The defined events are extended to include Damages:

- a) resulting from wrongful arrest (including assault in connection with such wrongful arrest);
- b) in respect of defamatory statements whether written or verbal;

Provided always that:

- a) the Insurer's maximum liability shall not exceed the amount stated in the Schedule;
- b) the Insured shall be responsible for the excess, as stated in the Schedule, in respect of each and every claim in terms of this extension.

INSURING AGREEMENTS**1. Director's Personal Liability**

Subject to the terms of this Policy and this section, the Insurer shall pay on behalf of the Director(s) (as defined in this section) loss for which they are not indemnified by the Insured and for which the Director(s) becomes legally obligated to pay on account of any claim first made in writing against them, individually or otherwise, during the Period of Insurance for a wrongful act (as defined in this section) taking place on or after the retroactive date and within the territorial limits stated in the Schedule.

2. Company reimbursement

Subject to the terms of this Policy and this section, the Insurer shall reimburse the Insured for loss arising from company indemnification of the Director(s) (as defined in this section), as permitted or required by law, and which the Director(s) have become legally obligated to pay on account of any claim first made in writing against them, individually or otherwise, during the period of insurance for a wrongful act (as defined in the section) taking place on or after the retroactive date and within the territorial limits stated in the Schedule.

DEFINITIONS**1. Claim**

Shall mean a written demand or a civil, regulatory or arbitration proceeding seeking compensation for damages for an alleged or actual wrongful act.

2. Companies Act

Shall mean The Companies Act No 71 of 2008, as amended.

3. Defence costs

Shall mean the reasonable costs and expenses incurred with the Insurer's prior written consent in connection with the investigation, defence, settlement or appeal of a claim. Defence costs do not include remuneration, cost of time or costs or overheads of the Insured or any Director. Defence costs may include the reasonable fees, costs and expenses of an accredited expert retained through defence counsel approved by the Insurer, to prepare an evaluation, report, assessment, diagnosis or rebuttal of evidence in connection with the assessment or defence of a claim.

4. Director

Shall mean any natural person, who will, for purposes of this section of the policy, be deemed to be the Insured, and who is:

- a) a Director, former Director or alternate Director including;
 - i) the spouse of a Director (whether that status is derived by reason of statutory law, common law or otherwise of any applicable jurisdiction in the world) as a result of his or her status as the spouse of that Director, including any claim that seeks damages recoverable from the marital community property or property jointly held by the Director and the spouse, provided that this definition will not afford cover for any claim for any wrongful act of the spouse and this definition applies only to a wrongful act committed by a Director;
 - ii) the executor, heirs or legal representatives of a Director who has died, or the lawfully appointed legal representatives of a Director who has been declared incompetent, insolvent or liquidated, to the extent that in the absence of such death, incompetence, insolvency or liquidation, such a claim against the Director concerned would have been covered under this section of the policy.
- b) a prescribed officer as defined in the Companies Act, including the company secretary;
- c) an employee in a managerial or supervisory capacity;
- d) a member of a committee of the board including the audit committee and who is acting in such capacity for the Insured.

5. Employment practice violation

Shall mean:

- a) any actual or alleged unfair or wrongful dismissal, discharge or termination, either actual or constructive, of employment, including breach of an implied contract;
- b) employment-related misrepresentation;
- c) wrongful failure to employ or promote, wrongful deprivation of career opportunities, or wrongful discipline; failure to furnish accurate job references; failure to grant tenure; negligent employee evaluation; sexual or workplace or racial or disability harassment of any kind (including the alleged creation of a harassing workplace environment);
- d) unlawful discrimination, whether direct, indirect, intentional or unintentional; failure to provide adequate employee policies and procedures;
- e) retaliation (including lockouts);
- f) any other basis for a claim pursuant to the Basic Conditions of Employment Act 1998 or the Labour Relations Act No 66 of 1995 or equivalent legislation found in other jurisdictions;

provided that the foregoing act, error omissions or basis relates to the employment or prospective employment of any past, present, future or prospective employee of the Insured.

6. Limit of indemnity

Shall mean the maximum amount of the Insurer's liability in respect of any one claim under this section of the policy, as stated in the Schedule.

Any claim or claims arising out of, based upon or attributable to:

- a) the same cause;
- b) a single wrongful act;
- c) a series of continuous, repeated or related wrongful acts;

will be considered a single claim for purposes of this section of the policy.

7. Official body

Shall mean any regulatory authority or commission, government body or official trade body, empowered to investigate the Insured's affairs and business.

8. Pollutant

Shall mean any solid, liquid, gaseous, or thermal irritants, smoke, vapour, soot, fumes, acids, alkalis, chemicals, waste, or other substances or contaminants, bacteria, moulds or other fungi (including but not limited to mildew or mycotoxins or spores or any other substance or product produced or released by moulds or fungi), which actually or are alleged to adversely affect land, water, atmosphere, property, buildings, other structures, or people, animals, plants, and all other living organisms, or the general environment.

9. Reckless trading

Shall mean the carrying on of a business in a reckless manner, with gross negligence, with the intent to defraud any person, for any fraudulent purpose, or trading under insolvent circumstances as set out in the Companies Act.

10. Regulatory investigation hearing

Shall mean any formal or official investigation, inquiry or hearing by any official body into the affairs and conduct of a Director, in the capacity as such, and which investigation, inquiry or hearing identifies the Director in writing as a target, or the subject matter of such investigation, inquiry or hearing, and which requires the Director concerned to attend the investigation, inquiry or hearing.

11. Subsidiary

Shall mean any company which the Insured or a subsidiary controls through:

- a) holding a majority of voting rights;
- b) the right to appoint or remove a majority of its board of Directors;
- c) controlling alone, or pursuant to a written agreement with other shareholders or members, a majority of the voting rights therein.

In respect of any subsidiary, cover provided by this section of the policy for any wrongful act will cease as of the effective date of the sale or dissolution of that subsidiary.

12. The Insured

Shall mean the company named in the schedule and any subsidiary of that company.

13. Transaction

Shall mean any one or a combination of the following events:

- a) The Insured consolidates with or merge into, or sell all or a greater part of the Insured's assets or undertaking to, any other person or entity or group of persons or entities acting in concert;
- b) any person or entity or group of persons or entities acting in concert (other than a subsidiary) becomes entitled to exercise more than 50% (fifty percent) of the rights to vote at the Insured's general meetings or to control the appointment of Directors who are able to exercise a majority of votes at meetings of the Insured's board.

14. United States of America and/or Canada

Shall mean the United States of America and/or Canada and/or their respective possessions or protectorates and/or any country which operate under the laws of the United States of America or Canada.

15. Wrongful act

Shall mean any actual or alleged wrongful breach of trust, breach of duty, error, omission, misstatement, misleading statement, or other wrongful act or omission by a Director acting solely in such capacity and which unexpectedly or unintentionally results in a liability under this section of the policy, including any employment practice violation.

LIMIT OF INDEMNITY

The total amount payable by the Insurer in accordance with the Insuring Agreements and the extensions, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Insurers consent for any one event or series of events with one originating cause or source, shall not exceed the limit of indemnity stated in the Schedule.

The renewal of this insurance from period to period or any extension of any period of insurance will not have the effect of accumulating or increasing the liability of the Insured beyond the Limit of Indemnity stated in the Schedule.

Where more than one period of insurance of this policy, following its renewal or replacement may apply to an originating cause or sources, the Insurer's liability will be limited to the maximum limit of indemnity for any one such period of insurance.

SPECIFIC EXCLUSIONS

The Insurer shall not indemnify the Insured in respect of:

1. Commissions

arising out of, based upon or attributable to, directly or indirectly resulting from or in consequence of:

- a) payments, commissions, gratuities, benefits or any other favours provided to or for the benefit of any full or part-time domestic or foreign government or armed services officials, agents, representatives, employees or any members of their family or any entity with which they are affiliated;
- b) payments, commissions, gratuities, benefits or any other favours provided to or for the benefit of any full or part-time officials, Directors, agents, partners, representatives, principal shareholders, or owners or employees, or 'affiliates' (as that term is defined in the Securities Exchange Act of 1934, including any officers, Directors, agents, owners, partners, representatives, principal shareholders or employees of such affiliates) of any customers of the Insured or any members of their family or any entity with which they are affiliated;
- c) political contributions, whether domestic or foreign.

2. Fines and penalties

any fines or penalties, loss of licence, the payment of taxes or remuneration, liquidated or non-compensatory damages including punitive or exemplary damages, or the multiplied portion of multiple damages, or any amount which is deemed uninsurable by law or contrary to public policy.

3. Insured versus Insured

made or instigated by any Director against any other Director.

4. Illegal/improper conduct

arising out of, based upon or attributable to:

- a) the gaining of any personal profit, reward, advantage or receiving of any remuneration to which a Director was not legally entitled;
- b) any criminal act other than costs as provided for in extension 5: Permitted advanced costs under the Companies Act;
- c) any allegation that a Director improperly benefited from any transaction relating to shares, stock or debentures as a result of information that was not readily available to other sellers or purchasers of such shares, stock or debentures;
- d) any matter or allegation involving dealings by which it is sought to affect the price of shares, stock or debentures, any goods or services or currency or negotiable instrument, other than dealings carried out in accordance with all applicable laws and regulations pertaining to such dealings;
- e) any matter which is deemed to be uninsurable under any law applicable to this policy.

For the purpose of determining the applicability of this specific exclusion, the information or knowledge possessed by any Director will not be imputed to any other Director.

5. Major shareholder

made or instigated by any member of the Insured holding or controlling more than 25% (twenty five percent) of the shares, stock or debentures.

6. Pollution

arising out of, based upon or attributable to the actual, alleged or threatened discharge, dispersal, release or escape of, or records concerning a pollutant; or any request to test for, monitor, clean up, remove, contain, treat, detoxify or neutralise a pollutant.

7. Prior claims and circumstances

arising out of, based upon or attributable to:

- a) any claim made prior to or pending at the inception of this policy;
- b) any circumstance that, as of the inception of this policy, may reasonably have been expected to give rise to a claim;
- c) any circumstance or claim of which notice has been given under any policy existing or expired before or on the inception date of this policy;

provided that nothing contained in this specific exclusion will be interpreted as releasing the insured from the obligation to reveal as a material fact all details of claims made or circumstances or events likely to give rise to a claim.

8. Professional indemnity

arising out of, based upon or attributable to any actual or alleged breach of professional services provided to, or professional duty owed to, a third party.

9. Property damage and bodily injury

injury and damage, sickness, disease, death or emotional distress, or damage to, destruction, impairment or loss of use of any property provided that any claim for emotional distress will not be excluded with respect to an employment practice violation.

10. Securities

arising out of, based upon or attributable to, directly or indirectly resulting from or in consequence of the actual or intended listing, private placement or public offering of any securities of the Insured as a company.

11. Trustees and administrators

arising out of, based upon or attributable to any act or omission as trustee, fiduciary or administrator of any pension plan, welfare plan, retirement fund, profit sharing, share option, share incentive scheme or trust or any other employee benefit program.

12. USA/Canada claims

arising out of, based upon or attributable to, directly or indirectly resulting from or in consequence of, or in any way involving any matter or claim where relief is sought or legal action or litigation is threatened or pursued in a court of law or other authority, constituted in the United States of America of America and/or Canada, or arising out of any activities carried on in the United States of America of America and/or Canada.

The Insurer shall not be responsible to pay for any judgment, award, payment or settlement made within countries which operate under the laws of the United States of America and/or Canada or to any order made anywhere in the world to enforce such judgment, award, payment or settlement either in whole or in part.

SPECIFIC CONDITIONS

1. Admission of liability

The Insured will not admit or assume any liability, enter into any settlement agreement, or consent to any judgment without the prior written consent of the Insurer. Only judgments resulting from claims defended in accordance with this section of the policy will be recoverable as a loss under this section. If the Insured is in breach of this condition, this section of the policy will afford no cover in connection with that claim.

2. Allocation between the Insured and the Director

The Insurer will only be liable to provide an indemnity for a covered claim against a Director. The Insurer has no obligation under this section of the policy to pay defence costs incurred by, judgments against or settlements entered into by the Insured arising out of a claim made against the Insured, nor does the Insurer have any obligation to provide an indemnity arising out of any legal liability that the Insured may have to a claimant, provided that in respect of:

- a) Defence Costs jointly incurred by;
- b) any joint settlement entered into by; and/or
- c) any judgment of joint and several liability against the Insured and any Director;

in connection with any claim, the Insured and any Director and the Insurer hereby agree to use their respective best efforts to determine a fair and proper allocation of liability and the amounts as between the Insurer, any such Director and the Insured, taking into account the relative legal and financial exposures, and the relative benefits obtained by the Insured and any such Director.

In the event that any claim involves both covered matters, and matters or persons not covered under this section, a fair and proper allocation of any defence costs, judgments and/or settlements will be made between the Insured, the Director and the Insurer taking into account the relative legal and financial exposures attributable to covered matters and matters or people not covered under this section of the policy.

3. Claims made and reported

The insurance provided under this section of the policy is afforded solely with respect to claims first made against a Director during the period of insurance and upon the condition precedent that such claims have been reported to the Insurer as soon as possible, but in all events no later than during the period of insurance.

4. Claim notification

The Insured will notify the Insurer in writing as soon as possible:

- a) after receiving a written demand, service of suit or institution of legal proceedings, arbitration or other alternate dispute resolution alleging a wrongful act or after the Insured become aware of the intention of any person to take such action against any Director;
- b) after receiving written notice of any criminal prosecution of any Director in their capacity as such;
- c) after receiving written notice requiring attendance at any Regulatory Investigation Hearing;
- d) after receiving written notice of any order or charge obtained against a Director in their capacity as such;
- e) after becoming aware of any fact, circumstance or event which could give rise to any such demand or action contemplated by a) to d) at any time.

5. Defence and settlement

Any person making notification or indemnified hereunder must, at their own cost, render all reasonable assistance to and cooperate with the Insurer. Any such person will, in the event of any claim, take all reasonable steps to mitigate loss. Except as otherwise provided in this Specific Condition, the Insured will have the right and duty to defend and contest any claim made against it. The Insurer will be entitled to participate fully in the defence and negotiation of any settlement that involves or appears likely to involve the Insurer. The Insurer will also be entitled, if it so elects, to take over and conduct in the name of the Insured the defence or settlement of any claim or to prosecute in the name of the Insured for the Insurer's own benefit any claim for indemnity or damages or otherwise. The Insurer will have full discretion in the conduct of any such proceedings and in the settlement of any such claim.

The Insurer may at any time pay to the Insured in connection with any claim, or series of claims, the limit of indemnity after deduction of any sum or sums already paid, or any lesser amount for which the claim or claims can reasonably be settled. Upon such payment being made, the Insurer will relinquish the control and conduct of such claim or claims and be under no further liability in connection therewith.

6. No cover to apply/changes in risk

Cover for any claim will apply only for Wrongful acts as defined in this section, committed whilst the Director serves in that capacity for the Insured.

The Insurer will not be liable to provide any indemnity in connection with any claim arising out of, based upon or attributable to a wrongful act committed after the occurrence of a transaction.

7. Other Insurance

This section of the policy will not be drawn into contribution with any other indemnity insurance except in respect of any excess beyond the amount payable under such other insurance.

8. Reporting of circumstances

The Insured may, during the period of insurance, notify the Insurer of any circumstance reasonably expected to give rise to a claim. The notice must include the reasons for anticipating that claim and full particulars as to dates, acts and persons involved. Any claim arising out of such reported circumstances, if accepted by the Insurer, will then be deemed to have been made during the period of insurance.

9. Subrogation

If an indemnity is granted under this section of the policy by the Insurer, the Insurer will be subrogated to all rights of recovery of the insured whether or not payment has in fact been made and whether or not the Insured has been fully compensated for its actual loss or liability. The Insurer will be entitled to pursue and enforce such rights in the name of the Insured, who will provide the Insurer with all reasonable assistance and co-operation in doing so, including the execution of any necessary instruments and papers. The Insured will do nothing to prejudice these rights. Any amount recovered in excess of the Insurer's total payment will be restored to the Insured less the cost to the Insured of such recovery.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Amounts paid hereunder are inclusive of the Limit of Indemnity for this section of the policy and are not payable in addition to the Limit of Indemnity.

1. Defence costs

The Insurer will reimburse the Insured for claimant's costs and expenses and defence costs, incurred during the period of insurance with the Insurer's prior written consent, in respect of any claim which is the subject of an indemnity provided by either Insuring Agreement 1 or 2.

2. Emergency legal costs

If the Insurer's prior written consent cannot reasonably be obtained before defence costs are incurred with respect to any claim, the Insurer will give retrospective approval for such defence costs, subject to a maximum limit of 10% (ten percent) of the Limit of Indemnity, provided that such costs were reasonably and necessarily incurred as a matter of urgency in dealing with a claim which is the subject of an indemnity provided by either Insuring Agreement 1 or 2.

3. Extended discovery period

In the event that the Insured elects not to renew or extend this policy, and the Insured does not affect any similar legal liability insurance in substitution and the Insured specifically declares same to the Insurer prior to the expiry of the policy, then the insurance provided under this section will be extended for a period of 60 (sixty) days to include written notification of any claim first made against a Director during such extended period or the Period of Insurance, for any wrongful act occurring prior to the expiry of the period of insurance, and notified to the Insurer during the extended discovery period (which will commence immediately following the date of expiry of the Policy). The wrongful act must have occurred subsequent to the Retroactive Date shown in the schedule and prior to the expiry of the policy.

4. New subsidiaries

If the Insured, during the period of insurance, incorporates or acquires a new subsidiary, cover is extended as follows:

- a) if the newly incorporated or acquired subsidiary's total gross assets, as set out in the latest audited annual financial statements, exceeds the Insured's total gross assets, as declared at inception of the Policy, by more than 25% (twenty five percent), or the subsidiary has a previous claims history, or is incorporated or domiciled or operates whether wholly or partly within the United States of America and/or Canada, then the Insured will give the Insurer such information as the Insurer may require and, if the Insurer elects to include such subsidiary under this section of the policy, the Insured will pay the reasonable additional premium within 45 (forty five) days of such creation or acquisition;
- b) if the newly incorporated or acquired subsidiary's total gross assets, as set out in the latest audited annual financial statements, does not exceed the Insured's total gross assets, as declared at inception of the Policy, by more than 25% (twenty five percent), and the subsidiary does not have a previous claims history, and is not incorporated or domiciled or operates whether wholly or partly within the United States of America and/or Canada, then cover will apply automatically without payment of any additional premium;

provided that cover will only apply to a wrongful act committed or alleged to have been committed after the date of incorporation or acquisition.

5. Permitted advanced costs under the Companies Act

The Insurer will where permitted by law advance costs, charges and expenses incurred by a Director during the period of insurance, with the Insurer's prior written consent, for the defence of allegations of:

- a) any criminal act;
- b) wilful misconduct, wilful breach of trust, reckless trading or breach of authority, where the proceedings are abandoned or exculpate the Director;

provided that all such costs, charges and expenses advanced in terms of section 78(4)(a) of the Companies Act, or any similar provision, will be repaid to the Insurer should the defence be unsuccessful.

6. Prosecution costs

The Insurer will pay the reasonable legal fees, costs and expenses, incurred by a Director with the prior written consent of the Insurer, such consent not to be unreasonably withheld, to bring legal proceedings to obtain the discharge or revocation of:

- a) an order obtained during the period of insurance disqualifying a Director from holding office as a Director in terms of section 69 of the Companies Act;
- b) an interim or interlocutory order obtained during the period of insurance confiscating, controlling, suspending or freezing rights of ownership of real property or personal assets of a Director;
- c) a charge made over real property or personal assets of a Director obtained during the period of insurance;
- d) an order of court obtained during the period of insurance imposing a restriction on a Director(s) liberty;
- e) the deportation of a Director following revocation during the period of insurance of otherwise proper, current and valid immigration status for any reason other than the Director(s) conviction of a crime.

7. Regulatory investigation costs

The insurance under this section of the policy is extended to include the reasonable legal fees, costs and expenses incurred by or on behalf of a Director, with the Insurer's prior written consent, in connection with the preparation for, and attendance by the Director at, a regulatory investigation hearing.

DEFINED EVENTS

The Insurer will, subject to the terms of this Policy and this section, indemnify:

1. the Trustees for all sums that they shall become legally liable to pay for which they are not indemnified by the Body Corporate; or
 2. the Body Corporate for all sums that they shall become legal liable for which they grant indemnification to the Trustees as permitted or required by The Act, Regulations and Management Rules,
- which occurred on or after the retroactive date shown in the schedule in respect of any Claim first being made against the Trustees and/or Body Corporate in writing during the period of insurance.

Provided that the Insurer's Limit of Indemnity (including Costs and Expenses) shall not exceed the amount stated in the Schedule for any one event in any one (annual) period of insurance.

DEFINITIONS**1. Claims**

shall mean:

- a) a written or verbal allegation of any Wrongful Act communicated to the Trustees and/or Body Corporate; or
- b) a civil proceeding commenced by the service of a complaint, summons, statement of claim or similar pleading against the Trustees and/or Body Corporate alleging any Wrongful Act; or
- c) a criminal proceeding commenced by summons or charge against the Trustees and/or Body Corporate alleging any Wrongful Act.

2. Costs and Expenses

shall mean costs, charges and expenses incurred by the Insurer or with their consent in the investigation, defence, monitoring or settlement of any Claim.

3. Loss

shall mean the amount payable in respect of a claim made against the Trustees and/or Body Corporate for a Wrongful Act and will include damages, judgements, settlements, orders for costs and Costs and Expenses.

4. Wrongful Act

shall mean any error, misstatement, act or omission, neglect or breach of duty made, committed, attempted or allegedly made, committed or attempted by the Trustees or any matter claimed against the Trustees solely by reason of the Trustees serving on the Body Corporate at Office Bearers.

Where any such Wrongful Act results in more than one claim, all such claims will jointly constitute one Loss and be deemed to have originated in the earliest policy year in which any of such Wrongful Acts is first reported to the Insurer.

TERRITORIAL LIMITS

Republic of South Africa.

SPECIFIC EXCLUSIONS

The Insurer will not indemnify the Trustees and/or Body Corporate in respect of:

1. any liability for the payment of VAT;
2. any remuneration for which the Body Corporate or trustee(s) is/are legally liable;
3. any indemnity claimed or claimable in terms of any other insurance or otherwise more specifically insured or excluded by any section of this policy;
4. loss or liability arising from circumstances which were known to the Trustees and/or Body Corporate or a reasonable person in the circumstances could be expected to know, to be circumstances which may give rise to a claim against the insured, prior to the inception of this policy;
5. claims for death, bodily injury, sickness, disease or damage to property;
6. loss or liability arising out of a publication or utterance of libel or slander or other defamatory or disparaging material;
7. any Trustee(s) gaining or having gained any personal profit or advantage to which they were not legally entitled or for which they may be held accountable to the Body Corporate or any Individual member thereof;
8. any Trustee(s) committing any wrongful act(s) or omission knowing such action(s) to be criminal or illegal, fraudulent or dishonest or of malicious intent;
9. fines, penalties, punitive or exemplary, vindictive or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;
10. monies or gratuity given to any Trustee(s) without authorisation by the Body Corporate where such authorisation is necessary pursuant to the Management Rules of the Body Corporate or prescribed law;
11. a conflict of duty or interest of any Trustee(s);

12. any intentional exercise of the power of the Trustee(s) for the purpose other than the purpose for which such powers were conferred by the Management Rules of the Body Corporate;
13. any wrongful act made or in any way intimated before the inception date of the insurance;
14. damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and eSwatini;
15. costs and expenses of litigation recovered by any claimant from the Trustee(s) and/or Body Corporate which are not incurred in and recoverable jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and eSwatini;
16. claim or circumstances of which the Body Corporate, or any Trustee against whom the Claim is made, was aware or ought reasonably to have been aware, prior to the period of insurance;
17. any profit or advantage gained by a Trustee where that Trustee was not legally entitled or for which the Trustee may be held accountable to the Body Corporate, Unit Owner or any other person or entity;
18. money or gratuity given to a Trustee without authorisation by the Body Corporate where such authorisation is necessary pursuant to the rules, by-laws or articles of the Body Corporate or as required by law;
19. any warranty or guarantee;
20. any trading or personal debt of a Trustee or the Body Corporate;
21. death, bodily injury, sickness or disease of any person, or damage to, or loss or of loss of use of, any tangible property;
22. breach of any obligation owed to any employee of a Trustee or the Body Corporate;
23. the effecting or maintenance of insurance, or any failure to effect or maintain insurance;
24. any intentional exercise of a power where the exercise of the power is for a purpose other than the purpose for which the power was conferred.

SPECIFIC CONDITIONS

In addition to the General conditions:

1. Claims

- a) a Trustee must give written notice to the Insurer of any Claim made against the Trustee and/or Body Corporate within 21 (twenty one) days of receipt of the Claim;
- b) the Trustee and Body Corporate must give all reasonable assistance to and co-operate with the Insurer in the defence of any Claim at the Trustee's and the Body Corporate's cost;
- c) neither the Trustee nor the Body Corporate should admit liability, settle any Claim, assume any obligation nor incur any Costs and Expenses without the Insurer's prior written consent.
- d) the Insurer has the right to negotiate, defend or settle any Claim against the Trustee in the Trustee's name and will have full discretion in the conduct of any proceedings or in the settlement of any Claim.
- e) if the Insurer is liable under this section to provide indemnity for only part of a Loss because either:

- i) a Claim includes matters both covered and not covered by this section; or
- ii) a Claim is made against a Trustee and other persons (including but not limited to the Body Corporate);

then the Trustee and the Insurer must use their best endeavours to agree a fair allocation of Loss (including in relation to Costs and Expenses) between Loss covered and loss not covered under this section having regard to:

- i) the Trustee's relative legal exposure to liability in respect of matters covered and not covered by this section; and
- ii) the Trustee's and the other person's relative legal exposure to liability in respect of the Claim.

Where the Trustee and the Insurer are unable to agree upon a fair allocation of Loss, the Insurer will be entitled to brief Senior Counsel (to be mutually agreed or, in default of agreement, to be selected by the then President of the Local Bar Association in Council, or equivalent organisation in the relevant Territory) to provide an opinion binding on the Trustee and the Insurer as to the fair allocation of Loss.

The costs of obtaining this opinion will be paid by the Insurer as part of the Costs and Expenses.

- f) any claim first made in writing against the insured as a result of a Defined Event reported in terms of General Condition 7 Claims (hereinafter termed reported event) shall be treated as if it had been first made against the Insurer on the same day that the insured reported the event to the Insurer.
- g) any series of claims made against the insured by one or more than one claimants during the period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the insured, on the date that the event was reported by the insured in terms of General Condition 7 Claims, or if the insured was not aware on any event which could have given rise to a claim on the date that the first claim of the series was first made in writing against the insured.

DEFINED EVENT

The Insurer will, subject to the terms of this Policy and section, indemnify the Insured up to the Limit of Indemnity stated in the Schedule in excess of the Underlying Insurance for all sums which the Insured shall become legally liable to pay consequent upon injury or damage which occurred in the course of or in connection with the business within the territorial limits and on or after the retroactive date shown in the Schedule, and which results in a claim or claims first being made against the Insured in writing during the Period of Insurance.

CONDITIONS

The following are conditions precedent to the granting of indemnity under this section:

1. the underlying insurances are warranted to be in force throughout the period of insurance for not less than the indemnity limits shown (except for any reduction of the aggregate limit contained therein solely by reason of payment of claims made against the insured);
2. except as otherwise provided in this policy, the insurance provided by this section is subject to the same terms of the underlying insurance;
3. where cover for an extension to the underlying insurance has not been included, no cover is provided for that extended cover under this section;
4. the Insurer shall only be liable to indemnify the Insured under this section once the underlying insurance indemnity limit has been paid by the Insurer and the Insured has paid the self-insured retention.

DEFINITIONS**1. Limit of Indemnity**

Shall mean the total amount payable by the Insurer in accordance with the Defined Event, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Insurer's consent for any one event or series of events with one originating cause or source.

The renewal of this insurance from period to period or any extension of any period of insurance will not have the effect of accumulating or increasing the liability of the Insured beyond the Limit of Indemnity stated in the Schedule.

Where more than one period of insurance of this section, following its renewal or replacement may apply to an originating cause or sources, the Insurer's liability will be limited to the maximum Limit of Indemnity for any one such period of insurance.

2. Underlying Insurance

Shall mean cover in force in terms of:

- a) the Broadform Liability section of this policy; or,
- b) the Liability to Third Parties sub-section of the Motor Specified section of this policy, provided that the number of vehicles insured does not exceed 12 (twelve) vehicles; or,
- c) the liability sub-section of the Buildings Combined section of this policy; or,
- d) the Employers' Liability extension under the Broadform Liability section of this policy.

DEFINED EVENTS**1. Personal legal liability**

The Insurer will cover the Insured's legal liability, regardless of where in the world the event takes place, for:

- a) accidental death, bodily injury or illness of any person; and
- b) accidental physical loss of or damage to tangible property of any person.

The Insurer will indemnify the Insured, regardless of where in the world the event takes place.

The Insurer's indemnity for any single claim, any series of claims resulting from the same event or all events that happen during the period of insurance, is limited to the amount shown in the Insured's Schedule.

This indemnity includes all costs and expenses incurred by us and costs and expenses the Insured incurs with the Insurer's prior written approval.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

The Insurer's indemnity is limited to the amount stated in the Schedule for each of the following for any single claim.

1. Credit, purchase cards and SIM cards (such as a card for use in cellular communication devices)

The Insurer will cover the Insured's legal liability because of the unlawful use of the Insured's credit, purchase or SIM cards by a person not related to the Insured.

This cover is subject to a registered financial services provider, merchant or cell phone provider having officially issued the credit, purchase or SIM cards in the Insured's name and the Insured's compliance with all the terms of the issued cards.

The Insurer's indemnity for any single claim, any series of claims resulting from the same event or all events that happen during the period of insurance, is limited to the amount stated in the Schedule.

This indemnity includes all costs and expenses incurred by us and costs and expenses the Insured incur with the Insurer's prior written approval.

2. Digital payments

The Insurer will cover the Insured's legal liability if the Insured is held liable for loss caused by fraudulent, digital access to the Insured's bank account during the period of insurance, provided that the Insured must:

- a) report the loss to the bank or other relevant company as soon as reasonably possible;
- b) comply with the terms, conditions and exclusions of the Insured's bank or other relevant company;
- c) not have exposed the Insured's username or password to any other person.

The Insurer does not cover the Insured's liability if the loss is caused by a member of the Insured's family who lives with the Insured.

3. Electric fence

The Insurer will compensate the Insured for the Insured's legal liability arising from the ownership of an electric fence should it lead to accidental death or bodily injury of any person.

4. Garden services

The Insurer will cover the Insured's legal liability to any person for amounts that the Insured must pay as indemnity in terms of a written contract with any garden service for property covered under the 'Householders' section of this policy.

5. Hole-in-one cover

The Insurer will cover the Insured, if the Insured hits a hole-in-one while playing golf as an amateur. To receive indemnity, the Insured must have played in a golf game on a registered golf course under the recognised rules of the game. The secretary of the golf club where the Insured hit the hole-in-one must confirm the hole-in-one in writing.

6. Neighbourhood watch liability

The Insurer will cover the Insured and any member of the Insured's family who normally resides with the Insured at the address stated on the Schedule against liability at law for:

- a) accidental death or bodily injury to any persons other than members of the Insured's family who normally reside with the Insured at the address stated on the Schedule or the Insured's household employees; and
- b) accidental damage to property, which is not owned by, or in the custody of, the Insured or any member of the Insured's family who normally resides with the Insured at the address stated on the Schedule or the Insured's household employees.

7. Personal legal liability to domestic employees

The Insurer will cover the Insured's legal liability due to the accidental death of, or bodily injury to, the Insured's domestic employees that arises from and during the course of their employment.

The Insurer's indemnity for any single claim, any series of claims resulting from the same event or all events that happen during the period of insurance, is limited to the amount stated in the Schedule.

This indemnity includes all costs and expenses incurred by us and costs and expenses the Insured incur with the Insurer's prior written approval. The exclusion as set out in clause 12 below does not apply to this indemnity.

8. Phishing

The Insurer will cover the Insured's legal liability if the Insured is held liable for loss caused by a phishing scam during the period of insurance, provided that the Insured must:

- a) report the loss to the bank or other relevant company as soon as reasonably possible;
- b) comply with the terms, conditions and exclusions of the Insured's bank or other relevant company. The Insurer does not cover the Insured's liability if the loss is caused by a member of the Insured's family who lives with the Insured.

9. Security companies

The Insurer will cover the Insured for the Insured's legal liability to any person for amounts that the Insured must pay as indemnity in terms of a written contract with any security firm/company or armed response service for property covered under the 'Houseowners' and 'Householders' sections of this policy.

10. Tenant's liability

The Insurer will cover the Insured for the Insured's legal liability for amounts that the Insured as a tenant of a building must pay as indemnity to the owner of the building due to loss of or damage to the buildings and/or fixtures or fittings in it, directly caused by any of the following:

- a) storm, water, hail or snow;
- b) theft or attempted theft;
- c) fire or explosion;
- d) breakage of glass, mirrors or sanitary ware not including chipping, scratching or disfiguration;
- e) damage to supply connections between the public supply and the buildings;
- f) collision by animals or vehicles; or
- g) loss of or damage to keys, locks and remote control units.

The indemnity includes all legal and other costs the Insurer agrees to in writing.

the Insurer will compensate the Insured up to the amount stated in the Insured's Schedule for any single claim, any series of claims resulting from the same event, or all events that happen during the period of insurance.

The exclusion as set out in clause 11 below does not apply to this indemnity.

11. Wrongful arrest

The Insurer will cover the Insured for the Insured's legal liability to any person resulting from the wrongful arrest or frisking of a person, including assault related to the wrongful arrest or frisking.

The Insurer's indemnity for any single claim, any series of claims resulting from the same event or all events that happen during the period of insurance, is limited to the amount stated in the Schedule.

This indemnity includes all costs and expenses incurred by us and costs and expenses the Insured incur with the Insurer's prior written approval.

SPECIFIC EXCEPTIONS

Unless specifically stated otherwise in the Schedule, the Insurer will not compensate the Insured for legal liabilities relating to:

1. legal costs and expenses incurred after the date the Insurer paid or offered to pay:
 - a) the full amount of the claim;
 - b) a lesser amount that the Insurer believe the claim can be settled for; or
 - c) the maximum amount for which the Insurer is liable;
2. the Insured's business, trade or occupation. This exclusion will not apply to the optional bed-and-breakfast extension of the 'House contents' section of this policy;
3. the Insured's ownership, possession or occupation of land, buildings or structures (this exclusion does not apply if the property is a building or structure and the contents or building is covered by this policy);
4. any building activity;
5. vibration or the removal or weakening of, or interference with, the support of land, buildings or property;
6. the ownership, possession, use or handling of vehicles (including trailers and caravans), watercraft, aircraft or other aerial devices;
7. the ownership, possession, use or handling of firearms, air guns or animals (other than domesticated animals);
8. fines, penalties or punitive damages;
9. any gradual cause which does not result from a sudden and identifiable event;
10. non-compliance by the Insured or the Insured's legal representative with the terms of this policy;
11. accidental loss of or damage to property the Insured or any person in the Insured's service owns, rents, borrows, keeps in trust, or has control or custody of;

12. accidental death of, bodily injury to or illness of the Insured or any person in the Insured's service if the liability results from their service;
or
13. the Insured's participation in any stunt or flying demonstration activities.

DEFINITIONS

1. Any person

shall mean people not related to the Insured, and people who are not in the Insured's employ when the event happens. However, they may include people who normally live with the Insured.

2. Domestic employee

shall mean a person that the Insured employ and is under the Insured's control to provide services at the Insured's home, in the Insured's private capacity, e.g. housekeeper, nanny and gardener. Domestic employee includes casual employees who work under the Insured's control even if it is for less than 24 (twenty-four) hours in a month.

3. Pet

shall mean a tame, domestic animal or bird kept for companionship or pleasure, e.g. dog or cat. 'Pet' does not mean animals that are naturally wild and tamed to be pets.

4. Tenant

shall mean any tenant, subtenant, boarder or lodger, including their family and their domestic employees who are allowed to occupy the Insured's private residence or outbuildings in terms of:

- a) an agreement with an internet service provider for accommodation; or
- b) a written lease agreement; or
- c) a verbal lease agreement; or
- d) a digital contract,

but it does not include a paying guest

5. Phishing

shall mean the attempt by scammers to trick the Insured into giving out personal information, like the Insured's bank account numbers or passwords.

6. The Insured

shall mean the names stated in the Schedule, the Insured's spouse and any other member of the Insured's family or the Insured's spouse's family who normally lives with the Insured.

DEFINED EVENTS**1. Extended personal legal liability**

the Insurer will cover the Insured's legal liability for amounts the Insured must pay as indemnity due to any event which happens during the period of insurance of this section anywhere in the world:

- a) for which liability is not included in the underlying policy; or
- b) for which the limit of indemnity, including costs and expenses, of the underlying policy is exceeded. However, the Insurer will only compensate the Insured above the limits stated in the Schedule for the:
 - i) Insured's personal legal liability;
 - ii) Insured's motor vehicle liability.

The Insurer's indemnity for any single claim, any series of claims resulting from the same event or all events that happen during the period of insurance, is limited to the amount stated in the Schedule.

This indemnity includes all costs and expenses incurred by us and costs and expenses the Insured incur with the Insurer's prior written approval.

SPECIFIC CONDITIONS**1. Underlying policy**

Indemnity under this section is subject to a valid underlying policy being in force at the time of the event. The underlying policy must provide the kind of cover the Insured are claiming for under this section, and the terms and conditions of the underlying policy must be adhered to.

If indemnity under this section refers to an event for which the limit of indemnity, including legal costs and legal expenses, of the underlying policy is exceeded, the underlying insurer must have paid the full amount of the policy or undertaken to pay it.

2. Limit of indemnity

the Insurer's indemnity is limited to the amount stated in the Schedule for any single claim, any series of claims resulting from the same event, or all events that happen during the period of insurance.

SPECIFIC EXCEPTIONS

1. the Insurer does not cover the Insured's legal liabilities relating to:
 - a) any judgment, award, payment or settlement made in a country that operates under the laws of the United States of America or Canada or is subject to any order made anywhere in the world to enforce such judgment, award, payment or settlement;
 - b) the pursuing of any business, trade or occupation (this exclusion does not apply to vehicle liability if the vehicle is insured for business or farming use or if the Insured have limited bed-and-breakfast cover under the Contents section of this policy);
 - c) hiring out any property, or any part thereof (this exclusion does not apply if the property is a building or structure, including the land on which it is situated, used as a private residence and is covered by any underlying policy);
 - d) the Insured's reckless disregard of the possible consequences of the Insured's acts or omissions;
 - e) loss of or damage to property that is covered under any other insurance policy;
 - f) the ownership, possession, use or handling of any aircraft or other aerial devices other than model aircraft or hang-gliders;
 - g) any exchange, cash or credit sale agreement, including theft under false pretence;
 - h) HIV (Human Immunodeficiency Virus) or any related illness, including AIDS (Acquired Immune Deficiency Syndrome) or any mutant derivative or variation thereof;
 - i) vehicle or watercraft liability, unless the liability is covered by any underlying policy or if the liability is excluded by any underlying policy due to any claim occurring outside the borders of the countries covered by the policy;
 - j) watercraft liability if the total length of the watercraft exceeds 8 (eight) metres;
 - k) loss of or damage to any self-propelled vehicle, trailer, caravan, watercraft or aircraft under the Insured's care, custody or control;
 - l) a dishonest, fraudulent or malicious act, or acts of physical assault or seduction committed by the Insured; or
 - m) the purchase, sale, barter or exchange of property, or the Insured's failure to comply with the Insured's obligations relating to these.
2. the Insurer does not cover the following:
 - a) the payment of any fine, penalty or multiple, punitive or exemplary;
 - b) any debt; or
 - c) failures to pay maintenance or alimony or any amounts following a breach of promise.
3. the Insurer does not cover liability:
 - a) of one person included in this policy to another person included in this policy or a person who was included when the event happened;

- b) that is the subject of legislation controlling the use of vehicles or trailers and for which the Insured must take out insurance or provide security; or
- c) where the state or a government body or authority has accepted liability.

DEFINITIONS

1. The Insured

shall mean the names stated in the Insured's Schedule, including the Insured's spouse and any other members of the Insured's family or the Insured's spouse's family who normally live with the Insured.

2. Underlying policy

shall mean a valid insurance policy in force with:

- a) a registered South African insurer (underlying insurer) that covers personal liability, property owners' liability, tenants' liability or motor liability; or
- b) any insurer (underlying insurer) in the world that covers motor liability, watercraft liability or property owners' liability for any motor vehicle hired, leased or owned by the Insured, or for any watercraft or property owned by the Insured, outside the Republic of South Africa.

INTRODUCTION

The cover described in this part of the Insured policy is applicable to all the Insured's householders and houseowners at all the insured risk addresses defined in the Schedule under these sections. Cover is only provided where either the houseowners or householders sections are insured.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

Subject otherwise to the terms, exclusions and conditions of this section and the General section (all of which shall remain valid and applicable unless specifically deleted or amended below), the cover under this section is amended or extended as set out below under each clause and extension.

The Insurer's Indemnity is limited to the amount stated in the Schedule for each of the following for any single claim.

1. Alternative accommodation

The Insurer will cover the rent the Insured must pay, or the reasonable extra expenses the Insured incurs, for similar alternative accommodation if the insured private residence is not fit to live in because of an insured event.

This cover will apply only for the period reasonably required to make the Insured private residence suitable to live in again, and is limited to the number of months stated in the Schedule.

2. Animal kennelling

The Insurer will indemnify the Insured for the cost of animal kennelling following damage to the insured property after an insured event has occurred and the Insured is required to vacate the property in order to allow for reinstatement and/or repair of the property.

3. Bacterial infection

The Insurer will indemnify the Insured for the costs required to procure professional contract bacterial disinfection services to the interior of any building as a result of the interior having been subjected to sewage or waste-water back-flooding.

4. Bowls full house

The Insurer will indemnify the Insured for the amount stated in the Schedule if the Insured score a full house while playing bowls as an amateur. To receive indemnity, the Insured must have played in an official competition as part of a team of two, three or four, on a registered bowling green under the recognised rules of the game with all eight or nine bowls to count. The secretary of the bowling club where the Insured achieved the full house must confirm the full house in writing. If more than one person as defined under the Insured (according to the definition in this section) scores a full house, the Insurer shall indemnify the Insured only once for each full house.

5. Claims preparation costs

The Insurer will indemnify the Insured for the costs the Insured incurs in producing and certifying any details that the Insurer may require to enable us to process any claim the Insured may have under this section of the policy.

6. Death benefit

The Insurer will indemnify the Insured for the if the Insured dies within 3 (three) months of being injured by fire, theft, attempted theft, hijacking or burglary in the Insured's private residence or outbuildings, or on the Insured's premises.

7. Emergency accommodation

The Insurer will indemnify the Insured for emergency accommodation if the Insured's private residential structure is not fit to live in because of an insured event. The cover is valid for up to number of nights stated in the Schedule. The period of compensation will end as soon as the Insured are able to arrange for alternative accommodation while the Insured's private residential structure is made fit to live in again.

8. Emergency costs and temporary repairs

The Insurer will indemnify the Insured for all charges and expenses (other than fire extinguishing charges and guards) reasonably and necessarily incurred in minimising or preventing a loss which would be covered by this policy.

9. Fallen trees removal costs

The Insurer will indemnify the Insured for the reasonable cost of removing trees that fell or were uprooted due to an insured event. the Insured must get the Insurer's written consent before removing fallen trees.

10. Fire brigade costs

The Insurer will indemnify the Insured for the reasonable costs that an authorised body charges for extinguishing a fire to prevent or reduce loss or damage to the insured property.

11. Generator hire

The Insurer will indemnify the Insured for the costs of hiring of a generator (including power connecting cables and reticulation) in the event of damage to any electrical reticulation installed on the insured property by an insured event 3.a); 3.b); 3.c); 3.e); 3.g); 3.h); 3.j) and 3.k) (as stated under the buildings and contents sections) only, where it becomes necessary in order to continue to provide electrical power to the insured property as existed prior to such damage. The Insurer will cover the costs incurred for such hire but only for the period necessary to repair or replace such electrical reticulation, provided that:

- a) the generator is installed as permanent fixture;
- b) the generator is in a secure place and not left unprotected outside;
- c) the generator must be used for domestic purposes only. The Insurer does not cover generators used for business purposes.

12. Guards

The Insurer will indemnify the Insured for the employment of guards to protect the Insured private residential structure after an insured event has occurred.

13. Hole-in-one

The Insurer will indemnify the Insured for the amount stated in the Schedule if the Insured hit a hole-in-one while playing golf as an amateur. To receive indemnity, the Insured must have played in a golf game on a registered golf course under the recognised rules of the game. The secretary of the golf club where the Insured hit the hole-in-one must confirm the hole-in-one in writing.

14. Landscaped gardens, water features and statues

The Insurer will indemnify the Insured for restoring damage to landscaped gardens, sprinkler irrigation systems, water features and statues at the Insured's risk address caused by:

- a) fire, lightning, thunderbolt, subterranean fire;
- b) explosion;
- c) storm, tempest, flood;
- d) earthquake;
- e) malicious damage;
- f) any person responding to a fire or explosion at the Insured's private residential structures; and/or
- g) a vehicle, aircraft, aerial devices or objects dropped from the air.

15. Locks, keys, remote controls and access cards/tags of the residence

The Insurer will Indemnity the Insured for accidental loss of or damage to:

- a) locks;
- b) keys (including related locks which must be replaced due to the loss or damage;
- c) remote controls, including reprogramming; and
- d) access cards/tags and card keys;

used in connection with the insured private residence.

The Insurer will also Indemnity the Insured for the reasonable costs the Insured incurs for calling out a locksmith due to an emergency caused by such loss or damage.

Cover provided under this section is worldwide.

16. Loss of water

The Insurer will indemnify the Insured for amounts that the Insured owes local authorities for water which has been lost due to leaking pipes. This will only apply if the following conditions are met:

- a) the amounts are calculated by the local authorities;
- b) the reading is at least 50% (fifty percent) more than the average reading of the four readings preceding it; and
- c) when a leak is discovered, either by physical evidence or on receipt of an unusually high water account, the Insured has taken immediate steps to trace and repair the leaking pipes.

This cover does not include:

- a) the costs to trace and to repair a leaking pipe;
- b) more than two separate claims within a 12 (twelve) month period. If there are two separate claims within a 12 (twelve) month period, the total combined indemnity for both claims will be limited to the amount stated in the Schedule; and
- c) loss of water:
 - i) due to leaking taps, geysers or toilets;
 - ii) from swimming pools or the leaking inlet or outlet pipes thereof; or
 - iii) if the private residence has not been occupied for more than 60 (sixty) consecutive days.

17. Medical expenses of domestic employees

The Insurer will indemnify the Insured for the medical expenses of domestic employees incurred as a result of an accidental bodily injury, but only if all the following conditions are met:

- a) the Insured employs the domestic employees at the risk address;
- b) the Insured incurred and paid the medical expenses;
- c) the injury was caused during the course of the domestic employees' duty at the risk address;
- d) there is no indemnity from another insurance policy or facility.

18. Medical expenses of visitors

The Insurer will indemnify the Insured for the medical expenses of a guest or visitor incurred as a result of an accidental bodily injury, but only if all the following conditions are met:

- a) the Insured incurred and paid for the medical expenses;
- b) the injury was caused directly by a defect in the private residence or premises at the risk address; and

- c) there is no indemnity from another insurance policy or facility.

19. Pest contamination

The Insurer will indemnify the Insured for costs and expenses necessarily and reasonably incurred for emergency professional extermination (getting rid of) and control of pests and vermin from the insured premises, as well as the treatment of vacated hive areas to prevent re-occupation, provided that cover will only apply if the infestation of the building:

- a) is sudden and unexpected;
- b) is a risk to the Insured's health;
- c) can lead to loss of or damage to the buildings and any of the Insured's contents that are normally part of or kept in the buildings; and
- d) makes it impossible for the Insured to live in the buildings.

The Insurer will not pay for:

- a) the removal of bees unless carried out by a registered beekeeper or bee remover;
- b) the removal of other pests or vermin unless carried out by a professional company specialising in such removal;
- c) the costs of removing nests already on the premises before the inception of this policy; and
- d) extermination in respect of buildings that have been unoccupied for more than 60 (sixty) consecutive days.

20. South African record

The Insurer will indemnify the Insured for the amount stated in the Schedule if the Insured obtains a recognised and official South African record in any amateur sporting event. The relevant sporting federation or association must provide written confirmation of the South African record.

The Insurer will not indemnify the Insured for:

- a) more than one record during a calendar month;
- b) more than three records during a renewal period; or
- c) a new record.

21. Trauma

The Insurer will indemnify the Insured for the cost of trauma treatment provided by a registered professional counsellor that the Insured incurred and paid for, and that is not otherwise recoverable from any other insurance or facility, which was sustained due to theft, burglary, hijacking or fire that occurred in the insured private residence or on the Insured premises or inside a building where the Insured lives temporarily.

22. Veterinary expenses

The Insurer will indemnify the Insured for veterinary expenses the Insured incurs because of the Insured's pet being injured in a road accident.

DEFINITIONS

The Insured has defined words with specific meanings that apply to both the buildings and contents section. The words below mean the following:

1. Buildings/private residential structures

means the building of the Insured's private main residence, constructed and situated as stated in the Schedule, including:

- a) private outbuildings including home offices and private garages;
- b) car ports;
- c) the Insured and the Insured's tenants permanent fixtures, fittings and improvements (including fitted carpets, curtains and domestic appliances) belonging to the owner of the private residential structures while in or on the structures;
- d) fitted furniture, fitted appliances, fitted carpets and fitted curtains;
- e) permanently installed recreational and ornamental structures (ponds and fountains) excluding earthen structures;
- f) paved and surfaced areas (including paths, steps, terraces, patios and driveways) of brick, concrete, asphalt, synthetic grass or stone excluding gravel and earthen areas;
- g) boundary, retaining and other walls (excluding dam walls and earthen walls), gate posts, gates (including all the machinery related to the gates), fences (other than hedges);
- h) all-weather tennis courts and floodlights;
- i) permanently installed spa baths, jacuzzis, hot tubs, saunas, steam rooms and associated machinery and equipment;
- j) permanently installed swimming pools, fixed filtration plants, safety nets and covers, associated machinery and equipment but not vinyl-lined swimming pools, swimming pools built above ground level, automatic pool cleaners and any other movable swimming pools;
- k) fixed satellite dishes, television and radio antennae, masts or lightning conductors and their fittings;
- l) fixed electric generators;
- m) borehole machinery supplying water solely for domestic purposes;
- n) fixed machinery;
- o) piers, jetties, bridges and culverts; and
- p) septic tanks.

2. Domestic employee

means domestic workers, staff, au pairs, nannies, drivers or gardeners or such like (full time or casual) employed by the Insured to carry out domestic duties at the risk address stated in the schedule.

3. Fixed machinery

means installed or fixed machinery and/or motors of:

- a) air conditioners and climate control systems;
- b) boreholes (excluding windmills);
- c) central vacuum cleaning systems;
- d) electric/electronic curtains and/or blinds;
- e) electric/electronic fences and energisers;
- f) electric/electronic gates, garage and other doors and motors;
- g) electric/electronic lifts, hoists or escalators;
- h) electric power generators.
- i) filtration plant and water pumps;
- j) fire and burglar alarm systems, security surveillance equipment, intercom systems or any similar devices;
- k) fitted stoves and extractors;
- l) spa baths, hot tubs, saunas, steam rooms;
- m) solar power generation systems, solar heating systems and panels;
- n) sprinkler irrigation systems;
- o) swimming pools (excluding automatic swimming pool cleaning equipment); and
- p) walk-in refrigerators and freezers.

4. Outbuilding/outbuildings

means the domestic employees rooms or quarters, guest cottages, private garages, private outbuildings, studios, stables, change rooms, wendy houses, garden sheds and greenhouses which do not interlead with the private residence and are situated at and used in relation to the Insured's private residence at the risk address.

5. Paying guest

means a paying guest who rents a room or the Insured's private residence for the purposes of an Airbnb arrangement, guesthouse or Bed and Breakfast activities.

6. Pests

means any other pests. Examples of pests are:

- a) ants;
- b) bees and their hives;
- c) cockroaches;
- d) hornets or wasps and their nests;
- e) moths;
- f) termites; and
- g) other insects or their larvae.

7. Premises

means the land on which the Insured's private residential structure is situated.

8. Private residence

means the building of the Insured's home of which the wall and roof construction and risk address is stated in the Schedule.

9. Risk address

means the address of the premises on which the Insured's private residence and outbuilding are situated.

10. Structures

mean any structure defined under 'buildings', but specifically named as a separate structure in the Schedule. Examples of 'Structures' include a lapa or granny flat or wendy house.

11. Tenant

means any tenant, subtenant, boarder or loger, including their family and their domestic employees who are allowed to occupy the Insured's private residence or outbuildings in terms of:

- a) an agreement with an internet service provider for accommodation;
- b) a written lease agreement;
- c) a verbal lease agreement; or

d) a digital contract,
but it does not include a paying guest.

12. Tenants' improvements

means improvements, alterations and decorations that the Insured or a previous occupier as the tenant has undertaken and for which the Insured are legally responsible.

13. The Insured

shall mean the names stated in the Schedule, including the Insured's spouse and any other members of the Insured's family or the Insured's spouse's family who normally live with the Insured.

14. Unoccupied

means the Insured's private residence is unoccupied if the Insured or any of the people who usually live there have all gone out, leaving the private residence empty. For example, shopping for a few hours or being on holiday for a few weeks. The presence of a domestic worker in the staff quarters or outbuildings does not change this definition.

15. Vermin

means any small animals that are considered vermin. Examples of small animals are:

- a) rodents such as rats, mice and/or squirrels; and
- b) other animal infestation.

This definition of vermin does not include wild baboons or wild monkeys.

DEFINED EVENTS**1. Property insured**

The property insured is the Insured's private residence and outbuildings at the risk address provided in the Schedule. It includes all fixtures and fittings that belong to the Insured as the owner or that the Insured is responsible for as the owner. It does not include any fixtures and fittings that belong to a tenant or for which a tenant is responsible.

2. Construction of the insured residence

The construction of the residence will be described in the Schedule as follows:

- a) standard construction; or
- b) non-standard construction; or
- c) thatch.

3. Insured events

The Insurer will cover loss or damage to the insured buildings caused by:

- a) fire;
- b) lightning or thunderbolt;
- c) explosion;
- d) storm, wind, water, hail, flood, sea surge or snow, excluding loss or damage caused by:
 - i) any process that uses or applies water;
 - ii) wear and tear;
 - iii) gradual deterioration;
 - iv) mildew, rust or corrosion; or
 - v) the contraction or expansion of soil due to its moisture or water content, as experienced in clay and similar soil types.
- e) earthquake;
- f) bursting, overflow and leaking of water containers, water tanks, water apparatus, heating installations (including gas-fired water heaters) or pipes and hot water cylinders (including the damage to them). Cover is also provided for the loss or damage to geysers (including solar geysers, geyser appliances, geyser blankets, drip trays, installation and/or repair costs) caused by:
 - i) rust;
 - ii) decay;
 - iii) gradual deterioration;
 - iv) wear and tear;
 - v) cracking or splitting;
 - vi) inherent vice; or
 - vii) latent defects.
- g) impact from animals, vehicles, aircraft or aerial devices or other objects falling from them, or falling trees except when felled by someone;
- h) collapse or breakage of satellite dishes, television and radio aerials, masts and lightning conductors;
- i) theft or attempt thereof from the main building;
- j) burglary at any outbuilding;
- k) the Insurer does not cover theft or attempted theft while the private residence is lent, let or sublet to a tenant, and the tenant or the tenant's family or anyone else who is linked or connected to the tenant or the tenants' family, is directly or indirectly responsible for such loss or damage;
- l) accidental leakage of oil from oil heaters;
- m) malicious damage, provided that the Insurer does not cover malicious damage while the private residence is lent, let or sublet to a tenant, and the tenant or the tenant's family or anyone else who is linked or connected to the tenant or the tenants' family, is directly or indirectly responsible for such damage.
- n) subsidence or landslip or ground heave: Limited cover

The Insurers will indemnify the Insured for loss of or damage to the buildings caused by subsidence or landslip or ground heave or all 3 (three). However, the Insurers will not cover loss or damage:

- i) to drains, water courses, boundary walls, garden walls, screen and retaining walls, gate posts, gates and fences, driveways, paving, swimming pool borders or tennis courts;
- ii) caused by the contraction or expansion of soil due to its moisture or water content, as experienced in clay and similar soil types;

- iii) caused or made worse by faulty design, insufficient compacting of filling, poor construction, or the removal or weakening of support to any building;
- iv) caused by structural alterations, additions or repairs;
- v) caused by surface or subterranean excavations other than those performed in the course of mining operations; and
- vi) caused by normal settlement, shrinkage or expansion of the building.

If the Insurer requires it, the Insured must prove that the loss or damage being claimed for was caused by subsidence, landslip or ground heave.

4. Theft and burglary cover excluded (if stated in the Schedule to be applicable)

The Insurer will not pay for any claims for theft or attempted theft should this cover be excluded in the Schedule.

5. Flood damage excluded (if stated in the Schedule to be applicable)

The Insurer will not pay for any claims for flood damage should this cover be excluded in the Schedule.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

The cover below applies to the buildings on the premises of the insured risk address(es) stated in the Schedule.

The Insurer's indemnity is limited to the amount stated in the Schedule for each of the following for any single claim.

1. Accidental breakage of mirrors and certain glass

The Insurer will indemnify the Insured for the cost of replacing accidentally broken fixed glass, mirrors or sanitary ware that forms part of the insured buildings.

However, the Insurer does not cover the insured fixed glass, mirrors or sanitary ware if the insured buildings are unoccupied or unfurnished for more than 60 (sixty) consecutive days.

2. Additions and extensions

The Insurer will indemnify the Insured for damages to or loss of capital additions and extensions to the insured property, provided that:

- a) the Insured must notify us in writing within 60 (sixty) days of the commencement of construction; and
- b) the Insured pay us any additional premium due.

3. Cover before property transfer

The Insurer will indemnify the Insured for loss or damage to private residential structures caused by an insured event for the period between the Insured signing a deed of sale and the transfer of the property into the Insured's name by the Deeds Office. This covers only property the Insured buy and insure in terms of this policy.

This cover will not apply if the private residential structures are insured by the seller or on the seller's behalf.

4. Damage by wild animals

The Insurer will indemnify the Insured for loss of or damage to the insured buildings caused by wild animals, such as wild baboons or wild monkeys.

5. Debris removal

The Insurer will indemnify the Insured for the necessary costs of removing the insured damaged insured property from the insured premises after loss or damage caused by an insured event.

6. Demolition costs, site clearing and professional fees

The Insurer will indemnify the Insured for the necessary costs that the Insured incur relating to a valid claim for demolition and clearing, erection of hoardings, municipal scrutiny of plans, or the fees and costs of architects, quantity surveyors and consulting engineers.

7. Environmental benefits

The Insurer will indemnify the Insured if the building is totally destroyed by an occurrence and the Insurer has agreed to reinstate the building to install any combination of the following:

- a) rainwater tank(s);
- b) solar power systems, including solar hot water systems or photo-voltaic (PV) power systems;
- c) hot water heat exchange system; and/or
- d) grey water recycling system.

8. Leak detection

The Insurer will indemnify the Insured for the fair and reasonable costs:

- a) of detecting, tracing and exposing the source of a single water, gas or oil leak from permanent internal pipes which is likely to cause damage to the buildings or contents including necessary patch up work to floors, walls and ceilings caused by such detection, tracing and exposure;
- b) incurred resulting from a water leak from the underground pipes inside the premises to repair any resulting damage to the buildings,

The Insurer will not be liable for the costs and expenses:

- a) where the first sign of such leakage was already evident on the premises before the inception of this policy;
- b) Incurred for the repairing the pipes that caused the leak;
- c) of matching materials.

The Insurer does not cover sewerage and waste pipes.

There is no limit for the resultant damage caused by the water, oil or gas leak.

9. Public Authorities Requirement

The Insurer will indemnify the Insured for the costs for repairing or rebuilding according to public authority requirements, following loss or damage to the building by an insured event. We will not pay for additional costs to comply with standards that were in place at the time of initial building or extensions if such standards were not met at the time of the loss or damage.

10. Public supply or mains connections

The Insurer will indemnify the Insured for accidental damage to, and the fair and reasonable cost of repairing or replacing, water, sewerage, gas, electricity, fixed fuel tanks and telecommunication connections, underground service cables, pipes, drains, inspection hatches and covers between the public supply and the Insured's private residential structures. This will only apply if the connections that belong to the Insured or for which the Insured are legally responsible for.

11. Rent receivable

The Insurer will indemnify the Insured for the rent payable to the Insured if the Insured's private residence is not fit to live in because of an insured event.

This cover will only apply for the period reasonably required to make the Insured's private residence suitable to live in again, but is limited to the number of months stated in the Schedule.

12. Repairs to pipes

The Insurer will indemnify the Insured for the fair and reasonable costs of repairs to or the replacement of a pipe following the tracing, detection and exposure of a water, gas or oil leak. The repair costs are limited to a single leak and not replacement of piping or repair of multiple leaks that are not associated or caused by the detected leak.

The leak will be repaired by means of coupling, replacing a short section with a similar pipe, in some cases clamped where it is not possible to repair, alternatively rerouted to by-pass the leak in the most cost effective way.

The Insurer does not cover:

- a) sewerage and waste pipes;
- b) structural defects, faulty design, poor workmanship, wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) of any water pipe(s).

Repair costs are categorised as follows:

- a) concealed pipes refer to pipes that are not visible such as pipes in the soil, concrete and plaster.
- b) unconcealed pipes refers to pipes which are visible and don't require any form of dismantling to expose them.

The Insurer only covers two incidents within a 12 (twelve) month period.

13. Security systems upgrade

The Insurer will indemnify the Insured for the cost of upgrading the alarm and security systems of the insured residential buildings following a break in, during the period of insurance. This extension does not apply following an attempted break in. This extension does not apply to upgrading the security of outbuildings.

14. Special alterations

The Insurer will indemnify the Insured for the fair and reasonable cost to alter the buildings after the Insured had an accident during the period of this policy that leaves the Insured permanently bound to a wheelchair.

15. Temporary removal of fixtures and fittings

The Insurer will indemnify the Insured for loss of or damage to permanent fixtures and fittings that are temporarily removed from the Insured's private home to be repaired or restored during the period of insurance. Cover is subject to the condition that the permanent fixtures may not be removed for more than 60 (sixty) consecutive days.

CLAUSES AND EXTENSIONS: OPTIONAL

If a heading below is stated in the Schedule, the Insurer will cover the Insured as stated under that heading. If the heading is not stated, the Insured do not have that optional cover.

The Insurer's indemnity is limited to the amount stated in the Schedule for each of the following for any single claim.

1. Accidental damage to buildings

The Insurer will indemnify the Insured for accidental, sudden and unforeseen physical loss of or damage to property insured as a result of an external, visible and/or violent cause, provided that the insurer will not cover:

- a) depreciation;
- b) gradual causes such as wear and tear, rust, mildew, corrosion or decay;
- c) loss or damage:
 - i) payable in terms of basic cover;
 - ii) caused by household pests (such as moths, rodents, vermin, ants and other insects or their larvae);
 - iii) caused by the Insured's own domestic pets;
 - iv) caused because of dyeing, cleaning, repairing or restoring by any manner or method;

- v) caused by the action of light or climatic condition;
- vi) caused by confiscation or detention by any process of law;
- vii) covered by any manufacturer's guarantee, purchase agreement or service contract; or
- viii) caused by power surge.

2. Accidental damage to fixed machinery

The Insurer will indemnify the Insured for sudden and unexpected damage to fixed machinery installed at the insured private residence. The fixed machinery must be for domestic use only, provided that the Insurer will not cover:

- a) depreciation;
- b) gradual causes (such as wear and tear, rust, mildew, corrosion, decay);
- c) loss or damage:
 - i) payable as an insured event that covers the insured buildings as stated in the Schedule;
 - ii) to windmills;
 - iii) caused by household pests (such as rodents, ants and moths and other insects or their larvae);
 - iv) caused by cleaning, repairing or restoring by any manner or method;
 - v) to any data or telecommunication equipment or apparatus;
 - vi) if covered by a manufacturer's guarantee, purchase agreement or service contract;
 - vii) caused because of spilled fuel in respect of generators;
 - viii) caused by power surge.

3. Power surge

The Insurer will indemnify the Insured for destruction or damage to the building (as defined) caused by power surges or fluctuations from accidental changes in the power supply by a public supply authority.

The Insurer does not pay for power surges caused by the Insured not paying the Insured's electricity bill or the Insured not buying electricity if the Insured ran out.

4. Subsidence or landslide or ground heave: Extended cover

The Insurer will indemnify the Insured for loss or damage to the private residential structures caused by subsidence, landslide, ground heave, or all three. However, the Insurer will not cover loss or damage:

- a) to drains, water courses, boundary walls, garden walls, screen and retaining walls, gate posts, gates and fences, driveways, paving, swimming pool borders or tennis courts;
- b) caused or made worse by faulty design, insufficient compacting of filling, poor construction, or the removal or weakening of support to any private residential structures;
- c) caused by structural alterations, additions or repairs;
- d) caused by surface or subterranean excavations, except those performed during mining operations;
- e) caused by normal settlement, shrinkage or expansion of the private residential structures.

If the Insurer requires it, the Insured must prove that the loss or damage being claimed for was caused by subsidence, landslide or ground heave or all 3 (three).

SPECIFIC CONDITIONS

1. Insured amount, basis of indemnity and limit of Indemnity

The insured amount for the property insured, as stated in the Schedule, must throughout the period of this policy represent the current replacement value of similar new property.

Payments under extended basic cover and convenience benefits are additional to the insured amount for basic cover.

The basis of indemnity for the loss of or damage to the insured property, or part of it, will be the current replacement value of similar new property, limited to the insured amount as stated in the Schedule.

For a single claim or series of claims arising from a single event, the Insurer indemnifies either:

- a) limited to the insured amount stated in the Schedule; or
- b) limited to the amount stated under basic cover.

Unless stated otherwise in the wording of the relevant cover, limits of those covers not included in the definition of 'Insured event', are additional to the insured amount of the insured buildings.

2. Inflation protection

The insured amount for the property insured under this section of the policy will increase annually but added monthly in equal portions within the renewal period to cater for the effect of inflation, according to the percentage that the Insurer applies at the renewal date.

The percentage the Insurer uses to make the adjustment is stated in the Schedule. However, the Schedule will not reflect the monthly increase.

No extra premium will be charged during the period of the policy, but the premium will be recalculated each year on the renewal date as stated in the Schedule.

3. Alterations or additions to the insured private residential structures

- a) If the Insured inform us within 60 (sixty) days from the start of alterations and additions to the private residential structures, the Insurer will increase the insured amount by the value of the alterations and additions.
- b) The cover extends to building materials, fixtures and fittings while structural building work (including alterations or additions) is done at the insured property, as long as:
 - i) no other insurance covers the loss or damage;
 - ii) the Insured are legally responsible for the materials, fixtures and fittings for which the Insured require cover;
 - iii) cover for storm, wind, hail, snow or flood events, is excluded;
 - iv) cover will apply only if such property is designed to withstand open-air elements;
 - v) theft will apply only if fixtures and fittings have been fitted; otherwise theft cover is restricted to visible signs of forcible and violent entry or exit from the insured building;
 - vi) protection of the insured property by anything other than a conventional roof is not covered;
 - vii) the Insured pay the first R1,000 (one thousand Rand) of any claim.

4. Average

If, according to the Insurer's calculations, the amount needed to replace all the insured private residential structures with similar new structures at the time of any loss or damage, is more than the insured amount, the Insurer will not pay the Insured the full amount of the loss or damage. The insured will be their own insurer for the difference between the insured amount and the amount needed to replace all the private residential structures. Therefore, the Insured will be responsible for a proportional share of the loss or damage.

For example, if the Insured are insured for R1,000,000 (one million Rand), but the replacement value of the insured property is R2,000,000 (two million Rand), this means that Insured are only insured for half of the replacement value and the Insured must cover the other half. If the Insured suffer damage to the value of R200,000 (two hundred thousand Rand), the Insurer will pay only half of this amount, which is R100,000 (one hundred thousand Rand), which will be calculated as follows:

Insured for	R1,000,000
Replacement value	R2,000,000
Claim	R200,000
Calculation: Underinsurance	R200,000 R 1,000,000
	x
	1 R 2,000,000

The Insurer will only pay the Insured R100,000 (one hundred thousand Rand).

This condition applies separately to each item in the Schedule.

5. Tenants

If any tenant of the insured private residence acts or omits to act in a way that may make this policy invalid, the Insured's cover will still be valid only if the following conditions are met:

- a) the Insured did not know that the insured tenant acted or omitted to act in a way that may make this policy invalid;
- b) the Insured must inform the Insurer as soon as the Insured become aware of the actions or omissions.

6. Interests of others

If the interest of any bank or any other financial institution has been noted in the Schedule as having an interest in the insured property the Insured agree that the Insurer may pay that financial institution to the extent of their interest in the insured property, namely the amount which is owing to the bank or the financial institution or the amount stated in the Schedule for Buildings, whichever is the lesser.

If the Insured act or omit to act in a way that may make this policy invalid, the interest of the bank or financial institution will not be affected if the following conditions are met:

- a) the bank or financial institution did not know that the Insured acted or omitted to act in a way that may have made this insurance invalid;
- b) the bank or financial institution tells the Insurer about the act or omission as soon as they become aware of it; and
- c) the Insured pay any extra premium the Insured owe.

7. Own service provider

The Insurer has the right to require that a service provider of the Insurer's choice does any work required on the insured property. If the Insured ask to use a service provider of the Insured's choice, the Insurer will not be responsible for any amount above of the amount quoted by the Insurer's service provider. This means the Insured will be paid out according to the Insurer's set rates.

8. Bush clearance warranty

It is a condition precedent to liability of the Insurer that all combustible material and vegetation within an area of at least 40 (forty) meters in width in the immediate vicinity of the insured building, item or structure in the Schedule shall be cleared and removed from the site. It is noted that this requirement does not apply to cultivated or manicured gardens, including trees forming part thereof.

9. Gas bottles

- a) The Insurer requires that all gas bottles be kept in a well-ventilated cage.
- b) A total of 100kg (one hundred kilograms) gas is allowed on the property, including:
 - i) 19kg (nineteen kilograms) inside the insured home; and

- ii) 81kg (eighty-one kilograms) spare gas outside the insured home.
- c) The gas bottles must not be closer than two metres to any:
 - i) plugs;
 - ii) open windows;
 - iii) drains.

The municipal fire and safety department sets these limits.

10. Geysers

All electrical geysers must:

- a) be fitted with vacuum breakers in hot and cold lines;
- b) be fitted with a multi-pressure safety valve;
- c) have an overflow pipe fitted;
- d) have a geyser drip tray installed if they are electric or split type solar geysers with the geyser cylinder fitted below the roof;
- e) have an electrical isolation switch installed, no more than 1m (one meter) from the geyser (not referring to the circuit breaker in the distribution board) if the geyser is electrical or solar with electrical back-up;
- f) comply with the current compulsory legal standard for geysers under the Water Services Act, 1997 South African National Standards (SANS) standards for geysers and parts being SANS 10254-2004.

11. Heat pumps

- a) The Insurer will pay for the repair or replacement of a fitted heat pump following the leaking, bursting or overflowing as a result of an insured event, provided that it is not within the manufacturer's warranty period. Replacement of a heat pump by a non-approved service provider will be reimbursed at the Insurer's repair rates after the Insurer has inspected the installation for SANS 1352 compliance as applicable and inspected the salvage.
- b) The heat pump will be covered provided that PIRB (Plumbing Industry Registration Board) COC (Certificate of Conformance) must have been issued for the installation of the heat pump. The heat pump installation must be of a split type and installed on a SANS 151 approved not tested geyser and the heat pump connections to the geyser may not compromise on the integrity or the warranty of the geyser.
- c) Integral heat pumps are not covered. A heat pump includes a compressor, fan, electronic control device, evaporator and circulating pump. The heat pump must be installed in accordance with SANS 1352. A heat pump does not include the diffuser, twin port drain-cock, combination safety valve, strainer and isolating valves.

12. Matching building materials

When the insured property is repaired, the Insurer is not obliged to do so exactly or precisely, but only as circumstances reasonably allow. Where the Insurer cannot achieve an exact match, the Insurer will use materials that, in the Insurer's opinion, match the damaged or lost materials as closely as possible. The Insurer will do this only to the part of the structure or room where the loss or damage has occurred. The Insurer will not pay for matching building materials to create a uniform effect throughout the insured buildings.

13. Security measures

a) Burglar bars

If the Insurer requires burglar bars, as described in the Schedule, the Insurer will Indemnity the Insured for theft or burglary only if:

- i) the required burglar bars are fitted;
- ii) the required burglar bars have not been removed without the Insurer's permission.

b) Security gates

If the Insurer requires security gates, as described in the Schedule, the Insurer will Indemnity the Insured for theft or burglary only if:

- i) the required security gates are fitted;
- ii) the required security gates are locked when the Insured or any person the Insured have authorised to look after the insured private residence leaves the insured private residence unattended;
- iii) the required security gates have not been removed without the Insurer's permission.

c) Alarm system

If the Insurer requires an alarm system, as described in the Schedule, the Insurer will indemnify the Insured for theft and burglary only if:

- i) the required alarm system is installed;
- ii) the required alarm system is in working order;
- iii) the burglar alarm installed in the premises shall have adequate passive infrared motion detectors or beams installed to cover all entry or exit points (doors of any kind or description and all windows whether opening or not);
- iv) none of the passive infrared motion detectors of the required alarm system are obstructed or bypassed;
- v) the burglar alarm installed in the premises shall be fully activated whenever the premises is left unoccupied or unattended; and
- vi) the required alarm system has not been removed without the Insurer's permission;
- vii) a valid and current contract is in force with the alarm service provider, including 24 (twenty-four) hour response by a reaction unit;
- viii) if the installed alarm is an approved, certified burglar alarm, the Insurer is entitled to request full information of the relevant activating and deactivating log in the event of a claim;

- ix) the insurance shall not cover loss of or damage to property following the use of keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured unless such keys, keypad code or remote control were obtained by violence or threat of violence to any person;
 - x) 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.
- d) Perimeter security
- If the Insurer requires perimeter security, as described in the Schedule, the Insurer will indemnify the Insured for theft and burglary only if:
- i) the required perimeter security is maintained and kept in working condition; and
 - ii) the required perimeter security has not been altered or removed without the Insurer's permission.
- e) Security complex and retirement village
- If the Schedule shows the Insured live in a security complex, the Insurer will pay for theft of household contents only if the home is situated in a security complex or retirement village.
- A security complex or retirement village means a complex with high perimeter walls with either razor coil wire or an electric fence on the top of the perimeter walls. And the complex either must have a 24 (twenty-four) hour staffed security gate or access must be controlled by an intercom, remote control or registration at the gate.
- f) Unoccupied residence
- The Insured must inform the Insurer should the Insured intend on leaving the insured private residence or outbuildings unoccupied for more than 60 (sixty) consecutive days in any 12 (twelve) month period so that the Insurer can adjust the premium or change terms, conditions and exclusions. If the Insured do not inform the Insurer, the Insurer will not indemnify the Insured for any loss or damage while the private residence and outbuildings are unoccupied. If only an outbuilding is occupied, the Insurer does not consider the private residence and outbuildings occupied.

14. Solar water heating (SWH) systems

- a) The Insurer will pay the Insured the cost of replacing or repairing the insured solar water heating system if it bursts or is damaged by an insured event. Provided that:
 - i) a certified and accredited plumber and electrician who issued certificates of compliance must have installed the entire solar water heating system;
 - ii) the system's solar tank and collector must have:
 - a. been approved by the South African Bureau of Standards (SABS);
 - b. had a 10 (ten) year (or longer) manufacturer's warranty; and
 - c. been operated and maintained according to the manufacturer's warranty.
 - iii) all parts must comply with the following South African National Standards (SANS) standards for solar water heating systems:
 - a. SANS 1307:2009 – domestic solar water heaters;
 - b. SANS 10101 – the installation, maintenance, repair and replacement of domestic solar water heating systems, edition three ISBN 0-626- 17636-0;
 - c. SANS 10252 – part 1 – water supply and drainage for buildings. Part 1 water supply installation for buildings;
 - d. SANS 10254 – the installation, maintenance, replacement and repair of fixed electric storage water heating systems; and
 - e. SANS 10400 – the application of national building regulations.
 - iv) The Insurer may ask to see all supporting documents if the Insured claims.
 - v) The Insurer will indemnify the Insured for SWH systems that do not meet the standards above if:
 - a. The terms of the manufacturer's warranty or maintenance agreement are not followed;
 - b. the Insured cannot give the Insurer records of maintenance or services at the time of the loss or damage;
 - c. the SWH system was not installed or repaired:
 - i. by an accredited person;
 - ii. according to SANS 10106, SANS10254 and SANS 10142; or
 - iii. according to the supplier's installation and maintenance instructions;
 - iv. the element has burnt out because the cylinder runs dry;
 - v. the system is not designed to withstand the local weather conditions or water quality;
 - vi. the SWH system faces the wrong direction or is at the wrong angle;
 - vii. an object is thrown, dropped or placed against the SWH system causing movement or failure;
 - viii. the collector glass chips or cracks unless this was because of an insured event.
 - vi) The Insurer will cover the full replacement cost (including installation) of an existing solar water heating system that meets the standards above.

- vii) If solar water heating equipment does not meet those standards, the Insurer will cover only replacement costs up to R5,000 (five thousand Rand).

15. Surge arrestors

It is a condition of this policy that SABS approved surge arrestors are installed on all electrical distribution boards at the insured premises as stated in the Schedule.

If the Insured do not comply with this condition, the Insurer will not cover the insured buildings against loss or damage caused by lightning, thunderbolt or power surge.

16. Surveys

The Insurer may ask a surveyor to survey the insured private residence at any time.

Based on the outcome of the survey the Insurer may immediately do one of the following:

- a) change the terms, conditions and exclusions of the insured insurance;
- b) cancel the insurance; or
- c) treat the policy as null and void.

17. Thatched roof warranty

It is warranted that during the currency of this policy:

- a) all buildings covered with thatch are protected by an adequate and appropriate lightning conductor or conductors that comply in all respects with the standards set by the SABS or standards that are equivalent to or better than such SABS standards.
- b) a lightning conductor and earthing or conducting wire connecting the electrical system to the main distribution board where lightning protectors must be installed.
- c) the Insurer shall not be liable to pay any claim should the thatch risk not be treated and certified every 5 (five) years with a SABS approved fire retardant prior to the inception of cover. The retardant must be applied to both interior and exterior surfaces and must penetrate the exterior thatch to a minimum depth of at least 65mm (sixty-five millimeters).

SPECIFIC EXCEPTIONS

None of the following are covered, unless specifically stated otherwise in the Schedule:

1. Loss or damage caused by:

- a) demolition, alteration, construction, cleaning, renovation, repair, restoration or a similar process;
- b) insects, their larvae or vermin;
- c) weeds or roots;
- d) storm, wind, water, hail or snow during renovations, additions or extensions if the loss or damage is caused by or made worse by the renovations, additions or extensions;
- e) theft or attempted theft while the insured private residence is lent, let or sublet to a tenant, and the tenant or the tenant's family or anyone else who is linked or connected to the tenant or the tenant's family, is directly or indirectly responsible for such loss or damage.

2. Loss or damage caused by or comprising:

- a) rot, rising damp, a rise in the water table except as a result of a storm;
- b) fungus, mould, infestation;
- c) chipping, scratches, disfiguration or discolouration;
- d) wear and tear or other gradually operating causes.

3. Loss or damage covered by:

any guarantee, service contract, purchase contract or any purchase agreement.

DEFINITIONS

The Insurer has defined words with specific meanings for each section. In this section the words below mean the following:

1. Burglary

shall mean the unlawful taking of another person's property with the intention to deprive them of permanent ownership when it is accompanied by breaking into or out of a building by actual, visible, forcible and violent means.

2. Countries

shall mean the Republic of South Africa.

3. Flood

shall mean a large amount of water from any source (whether man-made or natural) that overflows onto, or flows over, normally dry land.

4. Geyser

shall mean a domestic water heater, including control valves, stop cock (if properly installed), drain cock, safety valve, vacuum breakers, elements, thermostats, drip tray, feeder tank valves and all inlet pipes and fittings.

This excludes isolator switches, no-return valves, cold and hot water supply pipes, and fittings on unbalanced water systems (where a water mixer is installed without pressure release valves or non-return valves to prevent geyser bursts or leaks).

5. Ground heave

shall mean the upward movement or expansion of the site caused by load being removed from it or by actions from inside the site itself; but excludes settlement, which is the movement of a site as a result of loading placed on it by a building.

6. Heat pump

shall mean domestic air source water heating heat pump system.

7. Landslip

landslip which is the downward movement of sloping ground resulting from the action of self-weight stresses and imposed loadings exceeding the available strength of the ground.

Landslip may be triggered by superimposed loadings from buildings or may be induced by excavating into sloping ground with the result that material fails and moves down the slope

8. Maintenance

shall mean keeping an insured property in good condition by checking it regularly and repairing it when needed.

9. Non-standard construction

shall mean a building with one or both of the following:

- a) walls built of materials other than brick, stone or concrete (for example wood) whether or not the roof is built with standard materials such as slate, tile, concrete, asbestos, or metal; or
- b) roofs built of non-standard materials (for example wood) whether or not the walls are built with standard materials such as brick, stone or concrete

10. Pipe

shall mean the hot and cold clean water supply piping from the main supply installed in the insured premises, including the overflow pipes associated with the geyser installation, excluding irrigation pipes.

11. Power surge

shall mean a sudden variation of voltage magnitude or a power spike in any electrical system, causing a variance in the household supply of electricity.

12. Sea surge

shall mean loss or damage caused by the sea, including high tide, spring tide, waves, tidal wave or a sea level rise as a result of a storm.

13. Standard construction

shall mean built of brick, stone or concrete with a roof made of slate, tile, concrete, asbestos or metal. Thatch roofs are included in this definition only where the thatch roof is either:

- a) attached to the main residence and does not cover more than 25% (twenty-five percent) of the roof area of the main residence; or
- b) within 5 (five) metres from the main residence and the thatch roof on its own does not cover more than 25% (twenty-five percent) of the roof area of the main residence.

14. Structures

shall mean any structure defined under 'houseowners', but specifically named as a separate structure in the Schedule. Examples of 'Structures' include a lapa or granny flat.

15. Thatch

shall mean the roof of the main residence is constructed of thatch. This definition includes where a thatch roof is either:

- a) the roof of the main residence or attached to the main residence and covers more than 25% (twenty-five percent) of the roof area of the main residence; or
- b) within 5 (five) metres from the main residence and the thatch roof on its own covers more than 25% (twenty-five percent) of the roof area of the main residence.

16. Theft

shall mean the unlawful taking of another person's property with the intention to deprive them of permanent ownership when it is not accompanied by breaking into or out of a building by actual, visible, violent and forcible means.

17. The Insured

shall mean the names stated in the Schedule of this policy.

18. Subsidence

shall mean the downward movement of a site on which structures stand from causes unconnected with loading from the building when the soil on which it was built can no longer support it.

Examples are underground mining (specifically excluded), clay shrinkage (especially due to the action of tree roots) and erosion caused by water passing underneath the upper layers of soil. The compaction of make-up ground or infill is not included in this definition.

19. Water apparatus

shall mean any of the following if permanently fixed to the building:

- a) reservoirs;
- b) water tanks;
- c) geysers;

- d) fixed fish tanks;
- e) toilet cisterns; and
- f) fixed water purifiers.

20. Wild animals

shall mean animals that, as a matter of common knowledge, are naturally ferocious, unpredictable, dangerous, mischievous, or not by custom devoted to the service of mankind at the time and in the place in which they are kept.

21. Wild baboons or wild monkeys

shall mean baboons or monkeys that live freely in natural surroundings and are not kept as pets or farm animals, or kept confined in any way.

DEFINED EVENTS**1. Property insured**

The Insurer will cover loss of or damage to the Insured's contents caused by an insured event while the insured contents are inside the Insured's private residential structures and any additional structure stated in the Schedule.

It includes:

- a) household contents;
- b) personal property;
- c) fixtures and fittings that belong to the Insured as the tenant, not the owner, of the private residence.

2. Construction of the insured residence

The construction type of the insured residence will be described in the Schedule as one of the following:

- a) standard construction; or
- b) non-standard construction; or
- c) thatch.

3. Insured events

The Insurer will indemnify the Insured for loss or damage to contents caused by:

- a) fire;
- b) lightning or thunderbolt;
- c) explosion; and
- d) storm, wind, water, hail, flood, sea surge or snow, excluding loss or damage caused by:
 - i) any process that uses or applies water;
 - ii) wear and tear;
 - iii) gradual deterioration;
 - iv) mildew, rust or corrosion;
 - v) the contraction or expansion of soil due to its moisture or water content, as experienced in clay and similar soil types.
- e) earthquake;
- f) the bursting, overflow and leaking of water containers, water tanks, water apparatus, heating installations (including gas-fired water heaters) or pipes and hot water cylinders;
- g) impact from animals, vehicles, aircraft or aerial devices or other objects falling from them, or falling trees except when felled by someone;
- h) collapse or breakage of satellite dishes, television and radio aerials, masts and lightning conductors;
- i) The Insurer does not cover theft or attempted theft while the insured private residence is lent, let or sublet to a tenant, and the tenant or the tenant's family or anyone else who is linked or connected to the tenant or the tenant's family, is directly or indirectly responsible for such loss or damage;
- j) theft or attempt thereat from the main building;
- k) burglary at any outbuilding;
- l) accidental leakage of oil from oil heaters;
- m) malicious damage, but the Insurer does not cover malicious damage while the insured private residence is lent, let or sublet to a tenant, and the tenant or the tenant's family or anyone else who is linked or connected to the tenant or the tenant's family, is directly or indirectly responsible for such damage;
- n) Subsidence or landslip or ground heave: Limited cover

The Insurer will indemnify the Insured for loss of or damage to the Insured's contents caused by subsidence or landslip or ground heave or all 3 (three). However, the Insurer will not cover loss or damage caused or made worse by:

- i) the contraction or expansion of soil due to its moisture or water content, as experienced in clay and similar soil types;
- ii) faulty design, insufficient compacting of filling, poor construction, or the removal or weakening of support to any building;
- iii) structural alterations, additions or repairs;
- iv) surface or subterranean excavations other than those performed in the course of mining operations;
- v) normal settlement, shrinkage or expansion of the building.

If the Insurer requires it, the Insured must prove that the loss or damage the Insured claims claim for was caused by subsidence or landslip.

4. Contents away from the Insured's premises (all insured events)

The Insurer will indemnify the Insured for loss or damage to the insured contents as defined under property insured above caused by all the insured events while the contents are:

- a) inside a building where the Insured lives temporarily;
- b) temporarily inside the residential section of any occupied private home;
- c) deposited for safe keeping at any hotel, guest house, club, bank, safe deposit or registered furniture storehouse;
- d) inside the building of a business for the purpose of making up, altering, renovating, repairing, cleaning or dyeing. However, theft or attempted theft is not covered;
- e) inside the building of any office, business or trade where the Insured is employed. Cover is limited to the amount stated in the Schedule and forms part of the Householders sum insured;
- f) property in the open within the Insured's private residence. Cover is limited to the amount stated in the Schedule.

The Insurer also covers the Insured's contents against fire, explosion, lightning and thunderbolt while temporarily kept in places other than those mentioned above.

5. Contents in transit (only some insured events)

The Insurer will indemnify the Insured for loss or damage to the insured property caused by:

- a) theft, collision or overturning of the conveying vehicle while the Insured are in the process of permanently moving to a different risk address, or while their insured property is being transported to or from any registered furniture storehouse, by a furniture removal contractor. Cover excludes any damage to breakable articles like glass and china unless such articles were packed by the furniture removal contractor and are not otherwise insured;
- b) fire, lightning or explosion while being transported;
- c) theft while being transported to or from any bank or safe deposit facility;
- d) theft from any vehicle transporting the above provided the vehicle is not left unattended and unlocked. Cover is limited to the amount stated in the Schedule;
- e) groceries and household goods while the Insured transports these by any vehicle to the private residence from the place of purchase. Cover is limited to the amount stated in the Schedule.
- f) the Insured's personal luggage from airport to airport throughout the world. This cover is valid only if the Insured does not have any other insurance for the Insured's luggage. Cover is limited to the amount stated in the Schedule.

6. Theft and burglary cover excluded (if stated in the Schedule to be applicable)

The Insurer will not pay for any claims for theft or attempted theft should this cover be excluded in the Schedule.

7. Flood damage excluded (if stated in the Schedule to be applicable)

The Insurer will not pay for any claims for flood damage should this cover be excluded in the Schedule.

8. Fire and perils only cover (if stated in the Schedule to be applicable)

The Insurer will pay only for claims for loss or damage to the contents of the insured private residence or outbuildings by the following perils only should the cover be limited to fire and perils in the Schedule:

- a) fire, lightning and explosion;
- b) storm, wind, water, hail or snow. The Insurer will not cover the following loss or damage caused by:
 - i) any process which uses or applies water;
 - ii) wear and tear;
 - iii) gradual deterioration; or
 - iv) mildew, rust or corrosion.
- c) earthquake;
- d) impact with the private residence by animals, vehicles, aircraft or aerial devices or other objects falling from them, or falling trees, except when felled by someone;
- e) collapse or breakage of satellite dishes, television and radio aerials, masts and lightning conductors;
- f) leakage of oil from oil heaters; and
- g) malicious damage, but the Insurer does not cover malicious damage while the insured private residence is lent, let or sublet to a tenant.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

The cover below applies to the buildings on the premises of the insured risk address(es) stated in the Schedule.

The Insurer's indemnity is limited to the amount stated in the Schedule for each of the following for any single claim.

1. Accidental breakage of mirrors and certain glass

The Insurer will indemnify the Insured for the cost of replacing the following items inside the insured private residence:

- a) accidentally broken mirrors or glass tops of furniture belonging to the Insured;
- b) glass forming part of a stove or oven which is not insured elsewhere; and

c) breakage of glass that forms part of other domestic appliances, computers and televisions.

2. Accidental damage to landline telephones

The Insurer will pay for accidental damage including electrical and mechanical breakdown to landline telephones and their accessories (such as portable phones) at the home. The telecommunication provider's regulations for trading in phones apply where practical, provided that the insurer will not cover:

- a) lines and extension wires; or
- b) mobile communication equipment.

The Insurer's indemnity is limited to the amount stated in the Schedule.

3. Business/office contents

The Insurer will indemnify the Insured for loss of or damage caused by an insured event to the Insured's business/office contents belonging to the Insured in the Insured's private capacity that is inside the Insured's private residential structures and any additional structure stated in the Schedule.

4. Business/home-industry equipment

The Insurer will indemnify the Insured for loss of or damage caused by an insured event to the Insured's business/home-industry equipment belonging to the Insured in the Insured's private capacity are inside the Insured's private residential structures and any additional structure stated in the Schedule.

5. Contents of refrigerators and freezers

The Insurer will cover accidental spoiling of the contents of refrigerators or freezers inside the insured private residence and outbuildings caused by a change in temperature, provided that the insurer will not cover:

- a) spoiling caused by someone adjusting the temperature control;
- b) damage to the refrigerators or freezers;
- c) spoiling due to load shedding by a power-supply authority, unless the duration of the power cut exceeds 24 (twenty-four) hours;
- d) spoiling as a result of non-payment or non-purchase of power or any type of fuel.

6. Damage by wild animals

The Insurer will indemnify the Insured for loss of or damage to insured property while inside the insured private residence or outbuildings caused by wild animals such as wild baboons or wild monkeys.

7. Death of horses

The Insurer will indemnify the Insured for any one event for death of or injury to horses directly resulting from fire, lightning, thunderbolt, explosion, earthquake, theft, aircraft (or articles falling from aircraft), storm, tempest, flood, impact by vehicles, or any act committed by anyone with the intention of causing such death or injury.

8. Death of Koi fish

The Insurer will indemnify the Insured for any one event for death of or injury to Koi fish directly resulting from fire, lightning thunderbolt, explosion, earthquake, theft, aircraft (or articles falling from aircraft), storm, tempest, flood, impact by vehicles or any act committed by anyone with the intention of causing such death or injury. This extension also includes death of Koi fish following water pollution or contamination from chemicals or waste.

9. Debris removal

The Insurer will indemnify the Insured for the necessary costs of removing damaged insured property from the insured premises after loss or damage caused by an insured event.

10. Gifts for special events

The Insurer will indemnify the Insured for the costs incurred to replace or repair damaged or lost gifts stored inside the private residence for a maximum period of 30 (days) days before or after an anniversary, engagement, wedding, baby shower, birthday, religious or other celebration.

11. Laundry

The Insurer will indemnify the Insured for loss of or damage to the Insured's laundry caused by any insured event on the premises of the private residence.

12. Marquee and inflatables hire

The Insurer will indemnify the Insured for loss of or physical damage to marquees and inflatables including its associated lighting, heating and furnishings that the Insured hires temporarily against physical loss or physical damage. Cover is restricted to the risk address stated in the Schedule.

The Insurer does not cover the marquees and inflatables if the hirer has insurance that covers the loss or damage.

13. Money

The Insurer will indemnify the Insured for loss of or damage to money inside the private residence caused by an insured event. The following conditions apply in respect of theft or attempted theft:

- a) there must be signs of forced entry into or out of the residential building when left unoccupied;
- b) the security measures applicable to the risk address must be complied with when left unoccupied;
- c) the money must have been kept in a securely locked wall- or floor-mounted safe at the time of the theft or attempted theft, with signs of forced entry into the safe;

- d) if there is a threat of force against the Insured at the Insured's risk address, then a), b) and c) above are not applicable. The limit of indemnity forms part of the contents insured amount.

14. Personal effects of domestic employees

The Insurer will cover loss of or damage to the personal belongings of the Insured's full-time domestic employees caused by an insured event while their personal belongings are inside the Insured's private residence or outbuildings. Cover also includes household contents when the Insured's full-time domestic employees permanently resides at the private residence or outbuildings.

The Insurer does not cover the personal belongings or household contents of the Insured's full-time domestic employees:

- a) when lost or damaged whilst residing in the Insured's outbuildings unless a burglary has taken place;
- b) being money, bank cards, pre-paid cellular or phone vouchers and any other negotiable instruments;
- c) being furs, jewels, jewellery, gemstones, watches, articles made from platinum, gold or silver, art and collectibles;
- d) if the Insured's full-time domestic employees have insurance that covers the loss or damage.

This cover is limited to the repair or replacement costs of the domestic employees personal belongings.

15. Personal belongings of parents, grandparents, spouse or dependant

The Insurer will cover loss of or damage to personal belongings belonging to the Insured's parent, grandparent, spouse or dependant, named in the Schedule, while in a nursing home, old age home, retirement village or residential care home in which the parent, grandparent, spouse or dependant is resident caused by an insured event including transit there and back. Cover is restricted to the risk address stated in the Schedule.

The Insurer does not cover the personal belongings of parents, grandparents, the Insured's spouse or dependants:

- a) for loss or damage unless a burglary has taken place;
- b) being money, bank cards, pre-paid cellular or phone vouchers and any other negotiable instruments;
- c) being furs, jewels, jewellery, gemstones, watches, articles made from platinum, gold or silver, art and collectibles;
- d) taken out of the risk address unless specifically insured under any other section of the policy;
- e) if the Insured's parents, grandparents, spouse or dependants have insurance that covers the loss or damage.

This cover is limited to the repair or replacement costs of the parent, grandparent, the Insured's spouse or dependants' personal belongings.

16. Personal belongings of students or scholars

The Insurer will cover loss of or damage to personal belongings belonging to a full-time student or scholar, named in the Schedule while in a boarding school, college, university, technicon, flat, hostel or other student accommodation in which the full-time student is resident caused by an insured event including transit there and back. Cover is restricted to the risk address stated in the Schedule.

The Insurer does not cover the personal belongings of full-time students or scholars:

- a) for loss or damage unless a burglary has taken place;
- b) being money, bank cards, pre-paid cellular or phone vouchers and any other negotiable instruments;
- c) being furs, jewels, jewellery, gemstones, watches, articles made from platinum, gold or silver, art and collectibles;
- d) taken out of the risk address unless specifically insured under any other section of the policy;
- e) if the full-time student or scholar has insurance that covers the loss or damage.

This cover is limited to the repair or replacement costs of the students' or scholars personal belongings.

17. Personal belongings of visitors

The Insurer will cover loss of or damage to the personal belongings of the Insured's guests temporarily residing with the Insured or visitors at the Insured's residence caused by an insured event while their personal belongings is inside the Insured's private residence or outbuildings.

The Insurer does not cover the personal belongings of guests or visitors:

- a) for loss or damage whilst staying in an outbuilding when visiting unless a burglary has taken place;
- b) being money, bank cards, pre-paid cellular or phone vouchers and any other negotiable instruments;
- c) being furs, jewels, jewellery, gemstones, watches, articles made from platinum, gold or silver, art and collectibles;
- d) if the Insured's guest or visitor has insurance that covers the loss or damage.

This cover is limited to the repair or replacement costs of the guests or visitors' personal belongings.

The Insurer does not cover loss or damage to the personal belongings of any tenant, subtenant or paying guests while the residence is lent, let or sublet.

18. Personal documents

The Insurer will indemnify the Insured for the cost of replacing personal documents caused by an insured event while the following personal documents are inside the Insured's private residence or outbuildings:

- a) identity documents;
- b) passports and visas;
- c) vaccination certificates;
- d) printed road maps or nautical maps, travel guides, permits or certificates which allow any insured vehicle or vessel entry into or exit from countries or waters.

Cover is limited to the value of the materials and the cost of labour to replace such personal documents.

19. Restoration of computer programs and/or data

The Insurer will indemnify the Insured for the restoration of the programs and/or data of the Insured's computer at the Insured's private residence following loss or damage caused by an insured event.

20. Storage costs for contents after damage

The Insurer will indemnify the Insured for the necessary storage costs the Insured incur to safeguard insured property after an insured event has occurred.

21. Temporary increase of the insured amount

The Insurer will indemnify the Insured for the temporary increase of the insured amount for loss of or damage to gifts and additional provisions at the Insured's residence during December and January.

22. Time-sharing

If the body corporate is unable to provide alternative accommodation, The Insurer will indemnify the Insured for any expenses for the rent or hire of accommodation of a similar type in the same locality, when the Insured's time-share premises (or unit or part unit) are so damaged by an insured event that the Insured cannot live there for the time-sharing week stated in the Schedule. This cover also extends to any other week exchanged for the week stated in the Schedule.

The Insurer's indemnity is limited to the amount per week and the maximum number of weeks stated in the Schedule for any one claim.

CLAUSES AND EXTENSIONS: OPTIONAL

If a heading below is stated in the Schedule, The Insurer will cover the Insured as stated under that heading. If the heading is not stated, the Insured do not have that optional cover.

The Insurer's indemnity is limited to the amount stated in the Schedule for each of the following for any single claim.

1. Accidental damage

The Insurer will indemnify the Insured for accidental, sudden and unforeseen physical loss of, or damage to, the Insured's property insured while it is in the Insured's private residence or on the Insured's premises as a result of an external, visible and/or violent cause, provided that the insurer will not cover:

- a) depreciation;
- b) gradual causes such as wear and tear, rust, mildew, corrosion or decay;
- c) loss or damage:
 - i) payable in terms of basic cover;
 - ii) caused by household pests (such as moths, rodents, vermin, ants and other insects or their larvae);
 - iii) caused by the Insured's own domestic pets;
 - iv) caused because of dyeing, cleaning, repairing or restoring by any manner or method;
 - v) caused by the action of light or climatic condition;
 - vi) caused by confiscation or detention by any process of law;
 - vii) of or to any tools, gardening implements or garden furniture;
 - viii) of or to automatic swimming pool cleaning equipment or equipment for a pond;
 - ix) of or to any portable computer equipment, cellular devices, mobile communication equipment, or landline telephones;
 - x) of or to any video tapes, audio tapes, compact discs, DVD's, blu-ray discs or game discs;
 - xi) of or to any contents of refrigerators or freezers;
 - xii) to any other property not in the Insured's private residence or outbuildings;
 - xiii) covered by any manufacturer's guarantee, purchase agreement or service contract;
 - xiv) caused by power surge; or
 - xv) caused to personal belongings;
- d) cracking or scratching of glass, glassware or any similar breakable article. This exclusion does not apply to jewellery, cameras, televisions or computer screens;
- e) chipping or denting of furniture or domestic appliances;
- f) consequential damage of any nature; and
- g) the cost of reproduction or repair of data of any kind.

2. Accidental damage to fixed machinery

The Insurer will indemnify the Insured for sudden and unexpected damage to fixed machinery installed at the insured private residence. The fixed machinery must be for domestic use only, provided that the insurer will not cover:

- a) depreciation;
- b) gradual causes (such as wear and tear, rust, mildew, corrosion, decay);
- c) loss or damage:
 - i) payable as an insured event that covers the insured buildings as stated in the Schedule;

- ii) to windmills;
- iii) caused by household pests (such as rodents, ants and moths and other insects or their larvae);
- iv) caused by cleaning, repairing or restoring by any manner or method;
- v) to any data or telecommunication equipment or apparatus;
- vi) if covered by a manufacturer's guarantee, purchase agreement or service contract;
- vii) caused because of spilled fuel in respect of generators; and
- viii) caused by power surge.

3. Home industry stock-in-trade

The Insurer will indemnify the Insured for loss or damage to stock-in-trade of the insured home industry (as stated under the home industry type in the Schedule) run from the insured premises, caused by an insured event at the insured premises.

4. Mechanical, electrical or electronic breakdown

The Insurer will indemnify the Insured for loss or damage caused by sudden and unexpected mechanical, electrical or electronic breakdown of the Insured's installed appliances inside private residential structures and any additional structure stated in the Schedule, provided that the insurer will not cover:

- a) depreciation;
- b) gradual causes such as wear and tear, rust, mildew, corrosion, decay, gradual deterioration, the use of unsuitable or defective materials or parts;
- c) loss or damage:
 - i) payable as an insured event that covers the Insured's buildings as stated in the Schedule;
 - ii) lack of maintenance;
 - iii) caused by household pests (such as rodents, ants and moths and other insects or their larvae);
 - iv) caused by cleaning, repairing or restoring by any manner or method;
 - v) to any to any portable computer equipment or mobile communication devices;
 - vi) to any data or telecommunication equipment or apparatus; and
 - vii) if covered by a manufacturer's guarantee, purchase agreement or service contract.
 - viii) caused by power surge

5. Power surge

The Insurer will indemnify the Insured for the destruction or damage to the household contents caused by power surges from accidental changes in the power supply by a public supply authority.

The Insurer does not pay for power surges caused by the Insured not paying the insured electricity bill or the Insured not buying electricity if the Insured ran out.

6. Subsidence, landslip or ground heave: Extended cover

The Insurer will indemnify the Insured for loss of or damage to the contents of the insured property caused by subsidence, landslip, ground heave, or all 3 (three).

However, The Insurer will not cover loss or damage following:

- a) the faulty design or construction of any building;
- b) the removal or weakening of supports of any building;
- c) structural alterations, additions or repairs; and
- d) excavations above or below ground, except excavations performed during mining operations. If the Insurer requires it, the Insured must prove that the loss or damage being claimed for was caused by subsidence, landslip, ground heave, or all 3 (three).

7. Theft or attempted theft from outbuildings

- a) The Insurer will indemnify the Insured for loss of or damage to the contents of any outbuilding on the Insured's premises caused by theft or attempted theft unless the Insured can prove that there was a burglary at the outbuilding. The limit stated in the Schedule only applies to theft or attempted theft claims.

SPECIFIC CONDITIONS

1. Insured amount, basis of indemnity and limit of indemnity

The insured amount for the property insured, as stated in the Schedule, must throughout the period of this policy represent the current replacement value of similar new property.

Payments under extended basic cover and convenience benefits are additional to the insured amount for basic cover.

The basis of indemnity for the loss of or damage to the insured property, or part of it, will be the current replacement value of similar new property, limited to the insured amount as stated in the Schedule.

For a single claim or series of claims arising from a single event, The Insurer shall Indemnify the Insured either:

- a) limited to the insured amount stated in the Schedule; or

b) limited to the amount stated under basic cover.

2. Inflation protection

The insured amount for the property insured under basic cover will increase each month to cater for the effect of inflation, according to the percentage that The Insurer applies at the renewal date. However, the Schedule will not reflect this monthly increase. No extra premium will be charged during the period of the policy, but the premium will be recalculated each year on the renewal date as stated in the Schedule.

3. Average

If, according to the Insurer’s calculations, the amount needed to replace all the insured private residential structures with similar new structures at the time of any loss or damage, is more than the insured amount, The Insurer will not pay the Insured the full amount of the loss or damage. The Insured will be their own insurer for the difference between the insured amount and the amount needed to replace all the private residential structures. Therefore, the Insured will be responsible for a proportional share of the loss or damage.

For example, if the Insured are insured for R 1,000,000 (one million Rand), but the replacement value of the insured property is R2,000,000 (two million Rand), this means the Insured are only insured for half of the replacement value. The Insured must cover the other half. For example, if the Insured suffer damage to the value of R 200,000 (two hundred thousand rand), The Insurer will pay only half of this amount, which is R 100,000 (one hundred thousand Rand), which will be calculated as follows:

Insured for	R1,000,000
Replacement value	R2,000,000
Claim	R200,000
Calculation: Underinsurance	R200,000 R 1,000,000
	x
	1 R 2,000,000

The Insurer will pay the Insured R100,000 (one hundred thousand Rand) only.

This condition applies separately to each item in the Schedule.

4. Bush clearance warranty

It is a condition precedent to liability of the Insurer that all combustible material and vegetation within an area of at least 40 (forty) meters in width in the immediate vicinity of the insured building, item or structure in the Schedule shall be cleared and removed from the site. It is noted that this requirement does not apply to cultivated or manicured gardens, including trees forming part thereof.

5. Firearms

The Insured warrants that at all times and in all places the Insured comply with the legal requirements for owning, using and safekeeping a firearm. The Insured must keep any firearms that the Insured are not using in a locked and hidden safe. The safe must be securely attached to the wall or floor.

6. Jewellery and watches to be kept in a safe

- a) The Insured must keep jewellery and watches over a certain value in a safe. This is called the ‘safe warranty limit’.
- b) If the Insured are not wearing the jewellery or watch, the Insured must keep it in a securely locked wall-or floor-mounted safe. The Insurer will not indemnify the Insured for loss or damage caused by theft or attempted theft for more than the ‘safe warranty limit’ as stated in the Schedule if the Insured do not lock the item in a safe while the Insured are not wearing it.

7. Pairs or sets

If an article that is lost or damaged was part of a pair or a set, the Insurer will not indemnify the Insured for more than the article’s value proportionate to the total value of the pair or set.

8. Proof of ownership

The Insured must be able to provide acceptable proof that the Insured owned an item, and/or acceptable proof of its value, upon request.

9. Proof of valuation of jewellery and watches

- a) When the Insured claim, the Insured must give the Insurer a professional valuation certificate for all insured jewellery and watches. This valuation must have been done before loss or damage.
- b) If the Insured do not give this certificate, the Insured’s claim will be limited to the amount stated in the Schedule for each item and a maximum as stated in the Schedule per any one claim.

10. Security measures

a) Burglar bars

If The Insurer requires burglar bars, as described in the Schedule, The Insurer will indemnify the Insured for theft or burglary only if:

- i) the required burglar bars are fitted; and
- ii) the required burglar bars have not been removed without the Insurer’s permission.

b) Security gates

If The Insurer requires security gates, as described in the Schedule, The Insurer will indemnify the Insured for theft or burglary only if:

- i) the required security gates are fitted;
- ii) the required security gates are locked when the Insured or any person the Insured has authorised to look after the insured private residence leaves the insured private residence unattended; and
- iii) the required security gates have not been removed without the Insurer’s permission;

c) Alarm system

If The Insurer requires an alarm system, as described in the Schedule, The Insurer will indemnify the Insured for theft and burglary only if:

- i) the required alarm system is installed;
- ii) the required alarm system is in working order;
- iii) the burglar alarm installed in the premises shall have adequate passive infrared motion detectors or beams installed to cover all entry or exit points (doors of any kind or description and all windows whether opening or not);
- iv) none of the 'passive infrared motion detectors' of the required alarm system are obstructed or bypassed;
- v) the burglar alarm installed in the premises shall be fully activated whenever the premises is left unoccupied or unattended; and
- vi) the required alarm system has not been removed without the Insurer's permission;
- vii) a valid and current contract is in force with the alarm service provider, including 24 (twenty-four) hour response by a reaction unit;
- viii) if the installed alarm is an approved, certified burglar alarm, the Insurer is entitled to request full information of the relevant activating and deactivating log in the event of a claim;
- ix) the insurance shall not cover loss of or damage to property following the use of keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured unless such keys, keypad code or remote control were obtained by violence or threat of violence to any person; and
- x) 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.

d) Perimeter security

If the Insurer require perimeter security, as described in the Schedule, The Insurer will indemnify the Insured for theft and burglary only if:

- i) the required perimeter security is maintained and kept in working condition; and
- ii) the required perimeter security has not been altered or removed without the Insurer's permission.

e) Security complex and retirement village

The Insurer will pay for theft of household contents if the home is situated in a security complex or retirement village.

A security complex or retirement village means a complex with high perimeter walls (minimum 1.8 (one point eight) meters high) with either razor coil wire or an electric fence on the top of the perimeter walls. And the complex must either have a 24 (twenty-four) hour staffed security gate or access must be controlled by an intercom, remote control or registration at the gate.

All sliding doors leading outside must be fitted with an additional locking mechanism, and must be locked when the insured home is left unoccupied.

f) Unoccupied residence

The Insured must tell us if the Insured intend leaving the Insured's private residence or outbuildings unoccupied for more than 60 (sixty) consecutive days in any 12 (twelve) month period so that The Insurer can adjust the premium or change terms, conditions and exclusions. If the Insured do not tell us, The Insurer will not Indemnify the Insured for any loss or damage while the private residence and outbuildings are unoccupied. If only an outbuilding is occupied, the Insurer does not consider the private residence and outbuildings occupied.

11. Surge arrestors

It is a condition of this policy that SABS approved surge arrestors are installed on all electrical distribution boards at the insured premises as stated in the Schedule.

If the Insured do not comply with this condition, the Insurer will not cover the insured contents against loss or damage caused by lightning, thunderbolt or power surge.

12. Surveys

The Insurer may ask a surveyor to survey the insured private residence at any time. Based on the outcome of the survey the Insurer may immediately do one of the following:

- a) change the terms, conditions and exclusions of the insurance;
- b) cancel the insurance; or
- c) treat the policy as null and void.

13. Thatched roof warranty

It is warranted that during the currency of this policy:

- a) all buildings covered with thatch are protected by an adequate and appropriate lightning conductor or conductors that comply in all respects with the standards set by the SABS or standards that are equivalent to or better than such SABS standards.
- b) a lightning conductor and earthing or conducting wire connecting the electrical system to the main distribution board where lightning protectors must be installed; and
- c) the Insurer shall not be liable to pay any claim should the thatch risk not be treated and certified every 5 (five) years with an SABS approved fire retardant prior to the inception of cover. The retardant must be applied to both interior and exterior surfaces and must penetrate the exterior thatch to a minimum depth of at least 65mm (sixty-five millimetres).

14. Valuable articles limitation

The Insurer will Indemnify the Insured for loss of or damage to fine arts, furs, jewels, jewellery, gemstones, watches and articles made of platinum, gold or silver only up to 30% (thirty percent) of the insured amount for the contents of the insured private residence.

SPECIFIC EXCEPTIONS

The following are not covered, unless specifically stated otherwise in the Schedule:

1. property that is more specifically insured, in this or any other policy, other than for any amount more than the specified insured amount;
2. loss or damage arising from claims occurring outside the countries set out in this policy;
3. property, whether it is processed or not, obtained with the purpose of disposing of it in a business transaction;
4. money, securities for money, deeds, bonds, bills of exchange, promissory notes, negotiable and other documents, stamps, manuscripts, rare books, medals and coins;
5. vehicles, watercraft (excluding surfboards, kite boards, paddle skis, kayaks, canoes, surf skis, windsurf boards, sailboards and model boats), aircraft, other aerial devices (excluding model aircraft), and all tools, spare parts and accessories of these vehicles, aircraft or watercraft that are on, in or attached to it;
6. pets and other animals;
7. ride-on lawnmowers;
8. loss or damage from or relating to any exchange, cash or credit sale agreement, including theft under false pretence and fraud;
9. loss or damage to property in the open caused by storm, water, wind, hail or snow unless the insured property is designed to exist in the open;
10. the cost of reproduction or repair of data of any kind;
11. theft or attempted theft while the Insured's private residence is lent, let or sublet to a tenant; and
12. loss, damage or breakage covered by a manufacturer's purchase agreement, guarantee or service contract.

DEFINITIONS

1. Act of violence

shall mean an assault, robbery, rape, kidnapping or armed car hijack.

2. Burglary

shall mean the unlawful taking of another person's property with the intention to deprive them of permanent ownership when it is accompanied by breaking into or out of a building by actual, visible, forcible and violent means.

3. Business

shall mean business that the Insured conduct at or from an office at the risk address noted in the schedule, in line with the Insured's occupation as declared on the Proposal Form.

4. Business contents

shall mean computers, laptops, printers, scanners, software, fax machines, copiers, typewriters, telecommunication equipment and office furniture owned by the Insured or for which the Insured are legally responsible, and which is kept at the risk address stated in the Schedule.

5. Business/home industry equipment

shall mean items, tools and machinery used in the Insured's business excluding business contents which are owned by the Insured or for which the Insured is legally responsible, and which are kept at the risk address noted in the schedule.

6. Computer equipment

shall mean computer equipment, computer system electronic devices or machines that manipulate data according to a list of instructions and have the ability to store and execute programs, consisting of hardware and supported by software (e.g. laptops and tablet computers).

7. Countries

shall mean the Republic of South Africa, Namibia, Lesotho, Botswana, eSwatini, Zimbabwe, Malawi and Mozambique.

8. Flood

shall mean a large amount of water from any source (whether man-made or natural) that overflows onto, or flows over, normally dry land.

9. Ground heave

shall mean the upward movement or expansion of the site caused by load being removed from it or by actions from inside the site itself; but excludes settlement, which is the movement of a site as a result of loading placed on it by a building.

10. Holiday home

shall mean the insured home, other than the Insured's main residence, where the Insured only reside at certain times, e.g. during holidays or weekends.

The risk address of the Insured's holiday home is stated in the Schedule.

11. Home industry stock-in-trade

shall mean the goods or merchandise or small part or quantity intended to show what the whole is like, kept at the home and available for sale or distribution, provided that the Insurer only covers the following approved home industries:

- a) baking;
- b) beauty care products;
- c) beauty salon or hairdresser;
- d) cleaning products;

- e) clothing (excluding second-hand clothing);
- f) educational toys;
- g) framing;
- h) healthcare;
- i) home ware (excluding second-hand homeware);
- j) jewellery;
- k) needlework;
- l) pottery;
- m) scrapbooking; or
- n) tupperware.

12. Landslip

landslip which is the downward movement of sloping ground resulting from the action of self-weight stresses and imposed loadings exceeding the available strength of the ground.

Landslip may be triggered by superimposed loadings from buildings or may be induced by excavating into sloping ground with the result that material fails and moves down the slope.

13. Mobile communication devices

shall mean portable electronic items, used for mobile communication, including all accessories (e.g. cellular phones, tablets, satellite navigation system receivers (GPS's)).

14. Money

shall mean the Insured's personal money, including the Insured's cash being Rand, cheques, traveller's cheques, postal orders, money orders, travel and other tickets, gift vouchers/cards and current postage stamps.

15. Non-standard construction

shall mean a building with one or both of the following:

- a) walls built of materials other than brick, stone or concrete (for example wood) whether or not the roof is built with standard materials such as slate, tile, concrete, asbestos, or metal; or
- b) roofs built of non-standard materials (for example wood) whether or not the walls are built with standard materials such as brick, stone or concrete.

16. Personal luggage

shall mean luggage or baggage, personal effects and travel documents (travel tickets, passports and visas) that the Insured takes on the Insured's trip.

17. Pet

shall mean a tame, domestic animal or bird kept for companionship or pleasure, e.g. dog or cat. Pet does not mean animals that are naturally wild and tamed to be pets.

18. Power surge

shall mean a sudden variation of voltage magnitude or a power spike in any electrical system, causing a variance in the household supply of electricity.

19. Property in the open

shall mean items designed to be left or used outdoors including:

- a) children's play equipment;
- b) domestic garden maintenance equipment, motorised pedestrian lawnmowers and power equipment;
- c) flower containers and urns;
- d) garden furniture and patio furniture;
- e) garden statues and ornaments;
- f) swimming pool furniture, inflatables and equipment including pool safety nets and covers;
- g) outdoor cooking equipment,

We do not cover laundry as part of property in the open.

20. Road

shall mean any public road or pathway, leading from one place to another, especially one with a prepared surface which vehicles can use. Road does not include any road or pathway on private property.

21. Sea surge

shall mean loss or damage caused by the sea, including high tide, spring tide, waves, tidal wave or a sea level rise as a result of a storm.

22. Set

shall mean a group of similar or complementary items that belong or function together. For example:

- a) golf clubs are a set (the bag and buggy are separate items);

- b) a camera set is the camera body, case, standard accessories packaged by the manufacturer when the camera was new;
- c) a jewellery set is any pendant, charm or brooch attached to any necklace, bracelet, or chain (whether detachable or not) or any pair of earrings or cufflinks.

23. Standard construction

shall mean built of brick, stone or concrete with a roof made of slate, tile, concrete, asbestos or metal. Thatch roofs are included in this definition only where the thatch roof is either:

- a) attached to the main residence and does not cover more than 25% (twenty-five percent) of the roof area of the main residence; or
- b) within 5m (five metres) from the main residence and the thatch roof on its own does not cover more than 25% (twenty-five percent) of the roof area of the main residence.

24. Subsidence

shall mean the downward movement of a structure when the soil on which it was built can no longer support it.

Examples are underground mining (specifically excluded), clay shrinkage (especially due to the action of tree roots) and erosion caused by water passing underneath the upper layers of soil. The compaction of make-up ground or infill is not included in this definition.

25. Thatch

shall mean the roof of the main residence is constructed of thatch. This definition includes where a thatch roof is either:

- a) the roof of the main residence or attached to the main residence and covers more than 25% (twenty-five percent) of the roof area of the main residence; or
- b) within 5 (five) metres from the main residence and the thatch roof on its own covers more than 25% (twenty-five percent) of the roof area of the main residence.

26. Theft

shall mean the unlawful taking of another person's property with the intention to deprive them of permanent ownership when it is not accompanied by breaking into or out of a building by actual, visible and forcible means.

27. Valuable articles

shall mean furs, jewels, jewellery, gemstones, watches and articles made of platinum, gold or silver.

28. Wild animals

shall mean animals that, as a matter of common knowledge, are naturally ferocious, unpredictable, dangerous, mischievous, or not by custom devoted to the service of mankind at the time and in the place in which they are kept.

29. Wild baboons or wild monkeys

shall mean baboons or monkeys that live freely in natural surroundings and are not kept as pets or farm animals, or kept confined in any way.

DEFINED EVENTS

Cover under this section is limited to the amounts stated next to each item in the Schedule.

1. Unspecified personal property Clothing and personal effects

The Insurer will indemnify the Insured for loss of or damage to the Insured's personal property up to the insured amount stated in the Schedule and a maximum of 20% (twenty percent) of the unspecified personal property insured amount stated in the Schedule for any one article, pair or set (as defined). Cover is limited to the maximum single article, pair or set as stated in the Schedule and provided for the following:

- a) clothing the Insured normally wears;
- b) personal effects normally carried on or worn by a person;
- c) personal sporting equipment normally used or worn by a person;
- d) baby equipment, like prams and children's car seats; and
- e) wheelchairs.

However, the Insurer does not cover:

- a) camping equipment;
- b) caravan and trailer contents, including camper trailers;
- c) computer equipment and accessories (like laptops, personal computers, e-readers or tablet computers);
- d) diving equipment;
- e) firearms;
- f) fishing equipment;
- g) gardening equipment controlled by a driver and all tools, spare parts and accessories therein, thereon or attached thereto;
- h) hang gliders, paragliders and parachutes;
- i) horse riding equipment;
- j) locks, keys, remote controls and access cards/tags;
- k) mobile communication devices (e.g. cellular phones, tablets, mobile data cards (e.g. 3G cards), satellite navigation system receivers (GPSs)) and accessories;
- l) musical instruments;
- m) bicycles;
- n) portable gaming electronic equipment and/or games;
- o) collections and personal documents (like stamp, medal and coin collections or personal documents);
- p) surfboards, kite boards, paddle skis, kayaks, canoes, surf skis, windsurf boards and sailboards;
- q) theft of clothing from a washing line at the Insured's premises; and
- r) drones.

2. Property specified in the Schedule

The Insurer will indemnify the Insured for loss of or damage to property specifically insured in this section. This shall mean that the property must be stated in the Schedule under 'Personal All risks'. If it is not stated in the Schedule under 'Personal All risks', it is not insured.

- a) Audiovisual equipment (including mechanical, electrical or electronic breakdown)

The Insurer will indemnify the Insured for loss of or damage to audiovisual equipment as stated in the Schedule. Television aerials and satellite dishes are included.

- b) Bicycles

The Insurer will indemnify the Insured for loss of or damage to a bicycle as stated in the Schedule, and its accessories.

- c) Camping gear

The Insurer will cover loss of or damage to the Insured's camping equipment and its accessories stated in the Schedule.

- d) Coins, medals, stamps and personal documents

The Insurer will Indemnity the Insured for:

- i) the current catalogue or pricelist value of a single stamp or coin, or a single set of stamps or coins that is lost or damaged; and
- ii) the value of the materials and the cost of labour to replace lost or damaged personal documents, including personal deeds, wills, agreements, maps, plans, records, books, letters and certificates, but The Insurer will not indemnify the Insured if these documents are negotiable instruments or share certificates.

e) Eyewear

The Insurer will cover loss of or damage to the Insured's eyewear stated in the Schedule, and its accessories.

The Insurer will pay for the replacement cost of the eyewear with the same prescription, but excluding the professional fees in connection therewith, where applicable.

f) Home entertainment devices

The Insurer will cover loss of or damage to the Insured's home entertainment devices stated in the Schedule, including:

- i) accessories;
- ii) caused by mechanical, electrical or electronic breakdown; and
- iii) television aerials and satellite dishes.

g) Items in a bank vault

The Insurer will indemnify the Insured for loss of or damage to items stated in the Schedule which are kept in a vault of a registered bank as stated in the Schedule.

Cover is subject to the following conditions:

- i) the Insured must inform the Insurer before the Insured remove the valuable articles from the bank vault; and
- ii) while it is removed, the Insured must keep it under a strict and high security measure if the Insured don't wear or use it. If the Insured do not comply with these conditions, the Insurer will not cover loss of or damage to the Insured's items in a bank vault.

h) Jewellery

The Insurer will indemnify the Insured for loss of or damage to jewellery as stated in the Schedule.

i) Medical equipment

The Insurer will cover loss of or damage to the Insured's medical equipment and its accessories stated in the Schedule.

j) Mobile communication devices (including mechanical, electrical or electronic breakdown)

The Insurer will indemnify the Insured for loss of or damage to mobile communication device and its accessories as stated in the Schedule and its accessories.

k) Musical instruments

The Insurer will cover loss of or damage to the Insured's musical instrument and its accessories stated in the Schedule.

l) Other specified items not otherwise defined

The Insurer will indemnify the Insured for loss of or damage to any other specified articles stated in the Schedule.

m) Other specified items not otherwise defined

The Insurer will indemnify the Insured for loss of or damage to any other specified articles stated in the Schedule.

n) Personal belongings of parents, grandparents, spouse or dependant

The Insurer will cover loss or damage to the personal belongings of the Insured's parents, grandparents, spouse or dependants, named in the Schedule, whilst at a nursing home, old age home, retirement village or residential care home in which the parent, grandparent, spouse or dependant is a resident.

o) Personal belongings of students or scholars

The Insurer will cover loss or damage to the personal belongings of a student or scholar, named in the Schedule, whilst at a boarding school, college, university, flat, hostel or other student accommodation in which the full-time student is a resident.

p) Rider gear

The Insurer will cover loss or damage to the Insured's rider gear and its accessories stated in the Schedule.

q) Sports gear

The Insurer will cover loss of or damage to the Insured's sports gear and its accessories stated in the Schedule.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

The cover below applies to this section. The Insurer's indemnity is limited to the amount stated in the Schedule for each of the following for any single claim.

1. Death benefit

The Insurer will indemnify the Insured for if the Insured die within 3 (three months) of being injured by theft, attempted theft or act of violence whilst away from the Insured's premises.

2. Losses as a result of remote jamming

The Insurer will indemnify the Insured for losses as a result of remote jamming to property described in the Schedule, where the Insured maintain that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that:

- a) the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but the locking mechanism was blocked by persons using an electronic device. Such evidence will be deemed to satisfy the forcible and violent entry or exit requirement for any loss out of the cab or boot of the vehicle;
- b) the police case number is supplied to the Insurer;
- c) cover shall only apply to property that is separately and individually specified in the Schedule.

3. Trauma

The Insurer will indemnify the Insured for the cost of trauma treatment provided by a registered professional counsellor that the Insured incurred and paid for, and that is not otherwise recoverable from any other insurance or facility, which was sustained due to theft, attempted theft or act of violence whilst away from the Insured's premises.

SPECIFIC CONDITIONS

1. Insured amount and basis of indemnity

The insured amount for the property insured, as stated in the Schedule, must throughout the period of this policy represent the current replacement value of similar new property.

The basis of indemnity for the loss of or damage to the insured property, or part of it, will be the current replacement value of similar new property, limited to the insured amount as stated in the Schedule.

2. Bicycle value validation

The Insurer requires that the Insured give us a valuation, invoice, price list or catalogue value of the bicycle stated in the Schedule. If the Insured do not comply with this requirement, the Insurer will not cover loss of or damage to the relevant bicycle.

3. Firearms

The Insured warrant that at all times and in all places the Insured comply with the legal requirements for owning, using and safekeeping a firearm. The Insured must keep any firearms that the Insured are not using in a locked and hidden safe. The safe must be securely attached to the wall or floor.

This condition also applies while the firearms are at any other place the Insured may be staying temporarily.

4. Jewellery and watches

This includes items which people wear or use to decorate themselves or their clothes. The item could be made of gold, silver, platinum or other precious metals and set with precious or semiprecious stones.

a) Limits that apply to jewellery

If the Insured claims for loss of or damage to any watch or article of jewellery, the Insurer will pay the Insured out no more than the amount stated in the Schedule for each item or pair, unless the Insured provide a professional valuation for the item or pair by an independent jeweller that is dated less than 5 (five) years before the loss or damage occurred.

The Insured must keep all items that are worth more than the amount stated in the Schedule in a locked safe that is fixed to the building when:

- i) the buildings in which the Insured keep the Insured jewellery or watches are unoccupied; or
- ii) the Insured or any person covered by this policy are not actually wearing or carrying the item.

If these items are lost or stolen while they are not in a locked safe under these circumstances, the Insurer will not meet any claim the Insured make for loss or damage.

5. Pairs or sets

If an article that is lost or damaged was part of a pair or a set, the Insurer will not indemnify the Insured for more than the article's value proportionate to the total value of the pair or set.

6. Proving ownership and value

When the Insured loses or damages an item, the Insurer may ask the Insured to provide documentary proof that the Insured own the item and to prove its value by providing either originals or copies of The Insured purchase receipts, payment or valuation certificates either at inception of cover or at the time of the claim. In the absence of such evidence the Insurer's indemnity will be limited to R1,000 (one thousand Rand).

7. Valuation for musical instruments

It is a condition of this policy that the Insured must give us a valuation, invoice, price list or catalogue value of the musical instrument stated in the Schedule.

If the Insured does not comply with this condition, the Insurer will not cover loss of or damage to the relevant musical instrument.

SPECIFIC EXCEPTIONS

The following are not covered:

1. theft or accidental loss from an unattended motor vehicle, unless there was visible, violent and forcible entry into or exit from the locked boot or locked compartment that forms part of a locked motor vehicle;
2. the cost of reproduction or repair of data of any kind;
3. anything covered by any guarantee, service contract, purchase contract or any purchase agreement of any type;
4. property, whether it will be processed or not, obtained with the purpose to dispose of it in a business transaction (for example, to sell it);
5. vehicles and all tools, spare parts and accessories related and attached thereto;
6. watercraft and all tools, spare parts and accessories related and attached thereto, other than surfboards, kite boards, paddle skis, kayaks, canoes, surf skis, windsurf boards, sailboards and model boats if specified under this section;
7. aircraft or other aerial devices and all tools, spare parts and accessories related and attached thereto;
8. money, securities for money, deeds, bonds, bills of exchange, promissory notes, cheques, postal and money orders, negotiable documents, travel and other tickets, gift vouchers/cards, manuscripts and rare books;

9. depreciation;
10. gradual causes (such as wear and tear, rust, mildew, corrosion, decay); and
11. loss or damage:
 - a) caused by household pests (such as rodents, ants and moths and other insects or their larvae);
 - b) caused by cleaning, repairing or restoring;
 - c) such as mechanical, electrical or electronic breakdown. However, if specifically stated in the Schedule, the Insurer will cover mechanical, electrical or electronic breakdown of mobile communication devices, audiovisual equipment, computing equipment and accessories;
 - d) from or in connection with any exchange, cash or credit sale agreement, including theft under false pretence and fraud;
 - e) due to electronic viruses, trojans, worms or similar destructive media interferences; and
 - f) of glass, glassware or any fragile article due to cracking or scratching unless caused by theft or fire. Jewellery, cameras, television or data-reproduction tubes or screens are not excluded.

DEFINITIONS

1. Audiovisual equipment

shall mean recording and reproduction equipment used for capturing, recording, processing, storing, transmitting and reconstructing images or sounds, including all accessories; (e.g. cameras, binoculars, TVs, decoders, portable DVD players, iPods, MP3 and MP4 players).

2. Camping gear

shall mean the equipment used for setting up temporary shelter for recreational purposes (e.g. tents, sleeping gear, kitchen and cooking gear).

3. Collections

shall mean a group of articles or objects that are meant to be kept together (e.g. coin collections or stamp collections).

4. Countries

shall mean worldwide.

5. Eyewear

shall mean spectacles, reading glasses, sunglasses or contact lenses.

6. Home entertainment devices

shall mean electronic appliances used for recreational purposes, including all accessories (e.g. televisions and decoders).

7. Items in a bank vault

shall mean any item that the Insured keep in the vault of a registered bank or safekeeping facility for safekeeping.

8. Jewellery

shall mean an adornment (such as a bracelet, ring or necklace) made of precious metals and may be set with gems. Jewellery also includes watches.

9. Medical equipment

shall mean equipment or devices designed to aid medical conditions and prescribed or issued by a lawfully registered medical institution or practitioner (e.g. external hearing aids, wheelchairs, prosthetic aids). The equipment or devices must be external and removable and may not be consumed or dissolved in the body.

10. Mobile communication devices

shall mean portable electronic items, used for mobile communication, including all accessories (e.g. cellular phones, tablets, satellite navigation system receivers (GPSs)).

11. Musical instruments

shall mean instruments used to produce melodic sound, e.g. a guitar. The musical instrument must be officially recognised by an academic institution that offers music as part of its curriculum.

12. Personal document

shall mean personal deeds, wills, agreements, maps, plans, records, books, letters and certificates, but excludes negotiable instruments or share certificates.

13. Photographic equipment

shall mean equipment used for the capturing of still or motion photographic images, including all accessories (e.g. a camera and video camera).

14. Sports gear

shall mean items that are worn or used in an official sporting activity or game (e.g. golfing equipment like clubs, golfing shoes and carry bag).

15. Rider gear

shall mean items such as clothing, riding apparel, helmets, leather suits, protective gear and the like.

Damage of rider gear shall mean damage rendering the rider clothing, riding apparel or gear unsafe for normal use and will exclude only cosmetic damage where the safety of the rider clothing, riding apparel or gear has not been compromised in the Insurer's opinion or one of the Insurer's representative's opinions.

DEFINED EVENTS

The Insurer shall cover loss of or damage to the insured watercraft. The Insurer's indemnity for each watercraft is limited to the amount stated in the Schedule. Details of the Insured's watercraft are stated in the Schedule.

CLAUSES AND EXTENSIONS: AUTOMATICALLY INCLUDED

The cover below applies to this section. The Insurer's indemnity is limited to the amount stated in the Schedule for each of the following for any single claim.

1. Complete repairs

The Insurer will indemnify the Insured for repairs to the Insured's vessel completed by a repairer to allow the Insured to continue their journey if the Insured have a valid claim for the vehicle under this section.

The Insured may authorise these repairs, without first obtaining the Insurer's approval, only if the recognised repairer gives the Insured a full itemised invoice, which must be sent to us.

2. Costs to prevent a loss

The Insurer will indemnify the Insured for the reasonable costs the Insured incur to prevent or reduce loss or damage covered under this section.

3. Death benefit

The Insurer will indemnify the Insured in the event of an accident resulting in the Insured's death and/or the death of any passenger within 3 (three) months of such accident.

4. Delivery following repairs

The Insurer will indemnify the Insured for the reasonable costs to deliver the watercraft to the address where the Insured normally keep the Insured's watercraft after repairs authorised by us have been completed.

5. Emergency accommodation

The Insurer will indemnify the Insured for accommodation for up to 2 (two) nights for the Insured and any passenger travelling with the Insured if the Insured cannot complete the Insured's journey in the watercraft because of insured loss or damage.

6. Emergency costs

The Insurer will indemnify the Insured for reasonable charges and expenses incurred by the Insured for the use of emergency services that the Insured are liable to pay any public authority to minimise or avert loss or damage to the watercraft which would be covered by this policy.

7. Emergency repairs

The Insurer will indemnify the Insured for emergency or temporary repairs to the Insured's vessel to allow the Insured to continue the Insured's journey if the Insured have a valid claim for the vehicle under this section.

The Insured may authorise these emergency repairs, without first obtaining the Insurer's approval, only if the recognised repairer gives the Insured a full itemized invoice, which must be sent to us.

8. Fire extinguishing costs

The Insurer will indemnify the Insured for any costs relating to extinguishing or fighting fire if the fire posed a danger to the Insured's vehicle and if the Insured are legally liable for these costs.

9. Inspection of the hull after stranding, sinking or collision

The Insurer will indemnify the Insured for the reasonable costs the Insured incurs to inspect the hull of the Insured's watercraft for possible damage that may have occurred due to stranding, sinking or collision.

10. Loss of keys, locks and remote control units

The Insurer will indemnify the Insured for loss of or damage to keys (including related locks which must be replaced due to the loss or damage), locks, access cards and remote-control units used in connection with the Insured's watercraft and if necessary, the reprogramming of any coded security system of the Insured's watercraft.

The Insurer's indemnity includes the reasonable costs the Insured incur for calling out a locksmith due to an emergency caused by such loss or damage. Cover for watercraft keys is worldwide.

11. Medical expenses of passengers (other than the Insured's family)

The Insurer will indemnify the Insured for medical expenses of passengers after they sustained bodily injury while in or on the Insured's watercraft after an accident or hijacking.

This cover is subject to the following conditions:

- a) the passenger is not a member of the Insured's family who normally lives with the Insured;
- b) the Insured incurred and paid for the medical expenses; and
- c) there is no indemnity from another insurance policy or facility.

12. Medical expenses of passengers (who are the Insured's family)

The Insurer will indemnify the Insured for medical expenses of passengers after they sustained bodily injury while in or on the Insured's watercraft after an accident or hijacking.

This cover is subject to the following conditions:

- a) the passenger is a member of the Insured's family who normally lives with the Insured;
- b) the Insured incurred and paid for the medical expenses; and
- c) there is no indemnity from another insurance policy or facility.

13. Recovery costs

The Insurer will indemnify the Insured for the reasonable costs the Insured incur, with the Insurer's written consent, to recover the watercraft following its loss by theft or hijacking.

14. Repatriation of vessel from extended countries

The Insurer will indemnify the Insured for the reasonable costs of returning your watercraft to the Republic of South Africa if it is accidentally damaged in any of the extended countries and you have a valid claim under this section.

15. Replacement of accessories

The Insurer shall cover loss of or damage to accessories that form part of the Insured's watercraft and are described in the Schedule. The Insurer also cover the accessories while they are temporarily removed from the Insured's watercraft.

16. Safeguarding costs

The Insurer will indemnify the Insured for the reasonable costs to store, safeguard and remove the watercraft to the nearest repairer if the watercraft is not in working order due to loss or damage covered under this section.

17. Salvage costs

The Insurer will indemnify the Insured for the reasonable costs the Insured incur, with the Insurer's written consent, for salvaging (lifting out, removal or destruction of the wreckage) the watercraft.

18. Special alterations

If the Insured is permanently and totally disabled as a direct result of a watercraft accident, and as a result of the disability, the Insured is permanently dependent on a wheelchair for mobility, The Insurer will, in addition to any amount payable, contribute towards the purchase of a wheelchair and/or alterations to the Insured's private motor vehicle and/or the Insured's private dwelling to facilitate the use of such a wheelchair.

19. Trauma

Trauma treatment if the Insured suffered an accident, hijacking or attempted hijacking of the Insured's watercraft is subject to the following conditions:

- a) the trauma treatment must be given by a registered professional counsellor;
- b) the Insured must incur and pay for the costs; and
- c) it must not be possible to recover the expenses from any other insurance or facility.

20. Wreckage and debris removal

This policy shall also pay the expenses, after deduction of the proceeds of the salvage, of the removal of the wreck of the insured vessel or dinghy from any place owned, leased or occupied by the Insured.

CLAUSES AND EXTENSIONS: OPTIONAL

If a heading below is stated in the Schedule, The Insurer will cover the Insured as stated under that heading. If the heading is not stated, the Insured do not have that optional cover.

The Insurer's indemnity is limited to the amount stated in the Schedule for each of the following for any single claim.

1. Credit shortfall

The Insurer will pay the difference between the value of the vessel or vehicle as defined and stated in the Schedule and the outstanding settlement value in terms of a credit agreement that the Insured entered into. The Insurer will pay this difference only if The Insurer accepts a claim for the vehicle being either:

- a) in the Insurer's opinion beyond economic repair following loss or damage; or
- b) stolen and not recovered within a reasonable period.

The credit agreement that the Insured entered into must fall under the definition of Credit Agreement given in the National Credit Act, 2005.

The Insurer will pay any amount still outstanding on the Insured's credit agreement less:

- a) any arrear instalments or rentals, including interest payable on the arrears;
- b) all refunds of premium for cancellation of any insurance cover relating to the vehicle; and
- c) the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled. This applies if the Insured had arranged to pay lower instalments for an initial period and a higher instalment at a later stage. In this case, The Insurer will not indemnify the Insured for the remaining amount the Insured owe. The Insurer will only indemnify for what the Insured still would have owed if the Insured had arranged to pay back the loan in equal instalments over the term of the loan.

2. Extended countries (if applicable)

The Insurer shall also cover loss of or damage to the Insured's watercraft in the extended countries. The countries are stated in the Schedule. This cover is subject to the following conditions:

- a) if the insured watercraft is accidentally damaged and The Insurer has admitted liability for the damage, the Insurer will not authorise the repair of the damage before the Insured have successfully returned the Insured's watercraft to the Republic of South Africa; and
- b) if it is uneconomical to repair the Insured's watercraft and the Insured do not return the insured watercraft to the Republic of South Africa, the Insured have to prove that the Insured's watercraft is uneconomical to repair in any method acceptable to us, before the Insurer will accept the Insured's claim. The Insurer will determine the value of the wreckage at 20% (twenty percent) of the Insured's watercraft insured amount stated in the Schedule. The Insurer will subtract this amount from the amount of any settlement to the Insured.

3. Outboard motors

The Insurer cover loss of or damage to outboard motors shown in the Schedule.

4. Riot and strike (outside the Republic of South Africa and Namibia)

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

- a) civil commotion, labour disturbances, riot, strike or lockout; or
- b) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause 4. (a) above, provided that this extension does not cover:
 - i) loss or damage occurring in the Republic of South Africa and Namibia;
 - ii) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
 - iii) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
 - iv) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by
 - v) any lawfully constituted authority; or
 - vi) loss or damage related to or caused by any occurrence referred to in general exceptions as set out in sections 9. b) i), ii), iii), iv) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If we allege that by reason of sub-clauses i), ii), iii), iv) or v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the insured.

5. Specified itemised all risks cover

- a) Property insured means the property described in the specified section of the Schedule which, if it is accidentally lost or damaged, the Insurer may choose to pay for or repair or replace, up to the amount stated in the Schedule.

However, if the cost of replacing the property insured as new is greater than the sum insured at the time of the loss or damage, the Insured will be their own insurer for the difference and will bear a ratable proportion of the loss or damage.

- b) The Insurer will not be liable for any property specified in the Schedule against:
 - i) property insured that is lost from an unattended vessel or vehicle or place of storage or mooring unless there is forcible and violent entry into the vessel or vehicle or place of storage or mooring;
 - ii) wear, tear or depreciation;
 - iii) mechanical, electrical or electronic breakdown not accompanied by other damage;
 - iv) the cost of reproducing sounds, data and images on tapes, records, film or magnetic media or any other electronic media;
 - v) loss by vermin, ants, moths and other insects or their larvae or gradually operating causes; and
 - vi) any process of cleaning, dyeing or renovating.
- c) this cover will be subject to any excess stated in the Schedule.

6. Watercraft trailer

The Insurer shall cover loss of or damage to the Insured's watercraft trailer stated in the Schedule under the Motor Section.

WATERCRAFT LIABILITY

If a heading below is shown in your schedule as included, we will cover you as shown under that heading. The Insurers' liability is limited to the amount shown in your schedule for each of the following for any single claim.

1. Limit of indemnity

The Insurer shall cover amounts for which the Insured is legally liable to a third party due to an event which happens or arises in connection with the Insured's use of the Insured's watercraft. The Insurer's indemnity is limited to the amount stated in the Schedule.

2. Legal liability to third parties

The Insurer will indemnify the Insured for amounts for which the Insured is legally liable to a third party due to an event which happens or arises in connection with:

- a) the Insured's use of the Insured's watercraft; and
- b) using the Insured's watercraft to tow any stranded watercraft.

3. Legal liability to third parties if a person other than the Insured uses the Insured's watercraft

The Insurer will indemnify any person, other than the Insured, for amounts for which they are legally liable to a third party due to an event which happens or arises from their use of the Insured's watercraft.

This legal liability cover is subject to the following conditions:

- a) the other person complies with all the applicable terms and conditions of this policy;
- b) the other person was using the Insured's watercraft with the Insured's express permission;
- c) the other person is not entitled to indemnity for the third party claim by any other insurance policy; and
- d) the other person was not refused watercraft insurance or the continuation of any watercraft insurance during the 3 (three) years before the date of the event.

4. Liability of water-skiers

The Insurer covers amounts the Insured is legally liable for which a water-skier must pay as indemnity, due to an occurrence which happens or arises while the water-skier is being towed by the Insured's watercraft.

However, the Insurer are not liable:

- a) if the water-skier is entitled to indemnity under another policy;
- b) for accidental death of, or bodily injury to, or illness of a person who is a member of the household of the water-skier, or a person in the service of the water-skier, if the death, bodily injury or illness arises from their service;
- c) for accidental physical loss of, or damage to property belonging to, or kept in trust by, or under the charge or control of, or in the custody of the water-skier, or any member of the household of the water-skier, or any person in the service of the water-skier; or
- d) if the water-skier does not comply with the terms and conditions of this policy.

The Insurer's indemnity is limited to the amount stated in the Schedule.

5. Liability of parasailors

The Insurer shall cover amounts the Insured is legally liable for which a parasailor must pay as indemnity, due to an occurrence which happens or arises while the parasailor is being towed by the Insured's watercraft.

However, the Insurer is not liable:

- a) if the parasailor is entitled to indemnity under another policy;
- b) for accidental death of, or bodily injury to, or illness of a person who is a member of the household of the parasailor, or a person in the service of the parasailor, if the death, bodily injury or illness arises from their service;
- c) for accidental physical loss of, or damage to property belonging to, or kept in trust by, or under the charge or control of, or in the custody of the parasailor, or any member of the household of the parasailor, or any person in the service of the parasailor; or
- d) if the parasailor does not comply with the terms and conditions of this policy. The Insured's indemnity is limited to the amount stated in the Schedule.

6. Passenger liability

The Insurer shall cover amounts for which the Insured is legally liable due to accidental death or injury to a person who, at the time of the event, is transported as a passenger in or on the Insured's watercraft.

The Insurer's indemnity is limited to the amount stated in the Schedule.

7. Passenger liability: Canoes or kayaks

The Insurer cover amounts for which the Insured is legally liable due to accidental death of or injury to a person who, at the time of the event, is transported as a passenger in or on the Insured's watercraft.

The Insurer's indemnity is limited to the amount stated in the Schedule.

8. Passenger liability: Jet skis or wetbikes

The Insurer shall cover amounts for which the Insured is legally liable due to accidental death of or injury to a person who, at the time of the event, is transported as a passenger in or on the Insured's watercraft.

The Insurer's indemnity is limited to the amount stated in the Schedule.

9. Liability to third parties caused by the trailer

The Insurer shall cover amounts for which the Insured is legally liable to a third party due to an event which happens or arises in connection with:

- a) the Insured's use of the watercraft trailer; and
- b) the loading of the Insured's watercraft onto or off the watercraft trailer.

The limit includes all costs and expenses incurred by us and costs and expenses the Insured incur with the Insurer's prior written approval. However, the Insurer does not cover the Insured's liability while the watercraft trailer is towed by any vehicle.

The Insurer's indemnity is limited to the amount stated in the Schedule.

SPECIFIC EXCEPTIONS

1. Use of the Insured's watercraft

The Insurer does not cover the Insured's watercraft against loss, damage or liability if it is used for any of the following:

- a) racing of any type;

- b) speed or other contests of any type;
- c) competitions, including regattas;
- d) tests of any type;
- e) speed trials of any type;
- f) uses involving a business, trade or profession;
- g) hiring;
- h) carrying passengers for reward;
- i) anywhere outside the countries; or
- j) if the Insured's watercraft is in the possession, custody or control of a watercraft trader, except for the purpose of maintenance or repair.

2. Loss of or damage to the Insured's watercraft

The Insurer does not cover the following:

- a) theft or attempted theft of the fixtures, fittings, equipment or outboard motors not securely bolted to the Insured's watercraft:
 - i) if the Insured's watercraft is left unattended;
 - ii) out of domestic outbuildings that do not interlead with any private residence; and
 - iii) from any other storage place;
- b) jet skis or wet bikes left unattended in the open or on a trailer;
- c) outboard motors dropping off or falling overboard while not securely chained or bolted to the Insured's watercraft;
- d) mechanical, electric or electronic breakdown, failures or breakages including any consequential loss of or damage to any other mechanical, electrical or electronic component as a result of the mentioned breakdown, failure or breakage;
- e) gradual causes (such as wear, tear, rust, mildew, corrosion, decay);
- f) scratching, bruising or denting arising from transit, loading or off-loading;
- g) loss or damage:
 - i) caused by household pests (such as rodents, ants and moths and other insects or their larvae);
 - ii) caused by cleaning, repairing, restoring or maintenance by any manner or method;
 - iii) caused by a latent defect in the Insured's watercraft's design or construction;
 - iv) to sails and protective covers torn by wind or blown away while being hoisted; or
 - v) from or in connection with any exchange, cash or credit sale agreement, including theft under false pretense and fraud; or
- h) depreciation in value whether from repairs or otherwise.

3. Watercraft liability

The Insurer shall not indemnify the Insured or the permitted user or water skier against claims resulting from legal liability for:

- a) legal costs and expenses incurred after the date the Insurer has settled or offered to settle any claim by a third party:
 - i) up to the limit of this section; or
 - ii) for amounts the Insurer believes will settle the third party claim;
- b) costs or expenses due to:
 - i) advice or treatment (other than first-aid) given or supplied by the Insured or by any person acting on the Insured's behalf; or
 - ii) claims recoverable from any other section of this policy or from any other policy whether the Insured have claimed or not; or
- c) liability arising during the transport of the Insured's watercraft by road.

4. Loss of or damage to the Insured's watercraft and watercraft liability

The Insurer does not cover loss of or damage to the insured watercraft or liability incurred:

- a) if the Insured's watercraft is used for any purpose other than social, domestic or pleasure purposes;
- b) if the Insured's watercraft is not seaworthy;
- c) if the Insured's watercraft is piloted by a person who does not hold a valid skipper's licence required in terms of relevant shipping legislation or does not comply with the relevant legislation applicable to the use of the Insured's watercraft; or
- d) the following items if they are not adequately protected from water and nature elements that the Insured's watercraft is usually exposed to:
 - i) anybody's clothing or personal effects;
 - ii) gear of any nature;
 - iii) sports or recreation equipment; safety and medical supplies;
 - iv) watercraft extras not attached to the Insured's watercraft; and
 - v) electronic and mechanical equipment.

SPECIFIC CONDITIONS

Additional General Provisions, Conditions and Procedures for Claims and Accidents (only applicable to this section of the policy)

1. Unavailable parts

If a part that is needed to repair the watercraft after loss or damage is not available as a standard (ready-made) part in the Republic of South Africa, the Insurer will pay an amount equal to the value of the part at the time when the loss or damage occurred. The value of the part will be determined according to the price given in the most recent catalogue or price list applicable to the watercraft. The amount includes the reasonable cost to transport the part (other than by air).

2. Representation or defence

- a) The Insurer is entitled to arrange representations or defences that are the subject of any indemnity under this section, including:
- i) representation at any legal autopsy or inquest relating to any death; and
 - ii) the defence for any action, which is the cause of or related to any event.

3. Interest of a title holder

If a valid claim occurs and the Insurer are advised that the Insured's watercraft is the subject of a credit agreement as defined in the National Credit Act, 2005, the Insured agree that the Insurer will pay the title holder stated in the agreement up to the outstanding amount only, limited to the insured amount for the watercraft as stated in the Schedule.

If the outstanding amount is less than the insured amount for the Insured's watercraft as stated in the Schedule, the Insurer will pay the difference to the Insured.

4. Use

the Insured's watercraft may be used for social, domestic and pleasure purposes only.

5. Basis of indemnity

- a) If the Insured watercraft is less than 5 (five) years old, the basis for the Insurer's indemnity will be the cost to replace the Insured's watercraft or part of it with similar new property.
- b) If the Insured's watercraft is 5 (five) years or older, the basis for the Insurer's indemnity will be the cost to replace the insured watercraft or part of it up to its reasonable market value. This will be established by obtaining market-value quotations from two qualified watercraft dealers.
- c) For specified watercraft accessories, the basis for the Insurer's indemnity will be the cost to replace the accessories with similar new property.

6. Limit of indemnity

If the Insurer decides it is not economical to repair the Insured's watercraft the Insurer's indemnity will be limited to the insured amount as stated in the Schedule.

7. Average clause

If the watercraft is less than 5 (five) years old and, according to the Insurer's calculations, at the time of any loss or damage, the amount needed to replace the watercraft (other than the sails, protective covers, erected tackle, outboard motors, inboard motors and batteries), with a similar new watercraft is more than the insured amount, the Insurer will not pay the Insured the full amount of the loss or damage. The Insured will be considered to be their own insurer for the difference between the insured amount and the amount needed to replace the watercraft. Therefore, the Insured will be responsible for a proportional share of the loss or damage.

If the watercraft is older than 5 (five) years and, according to the Insurer's calculations, at the time of any loss or damage, the amount needed to replace the watercraft (other than the sails, protective covers, erected tackle, outboard motors, inboard motors and batteries), with a similar watercraft is more than the insured amount, the Insurer will not pay the Insured the full amount of the loss or damage. The Insured will be considered to be their own insurer for the difference between the insured amount and the amount needed to replace the watercraft with similar property. Therefore, the Insured will be responsible for a proportional share of the loss or damage.

For example, if the Insured is insured for R100,000 (one hundred thousand Rand), but the replacement value of their watercraft is R200,000 (two hundred thousand Rand), they are insured for only half of the replacement value. The Insured must cover the other half. For example, if the Insured suffer damage to the value of R50,000 (fifty thousand Rand), the Insurer will only pay half of this amount, namely R25,000 (twenty thousand Rand), which will be calculated as follows:

Insured for	R1,000,000
Replacement value	R2,000,000
Claim	R200,000
Calculation: Underinsurance	$\frac{R200,000}{R1,000,000} \times R2,000,000$

The Insurer will only pay the Insured R25,000 (twenty-five thousand Rand).

This condition applies separately to each item in the Schedule.

DEFINITIONS

The Insurer has defined words with specific meanings for each section. In this section the words below mean the following:

1. Canoe

shall mean a narrow, keelless boat with pointed ends, propelled by a paddle or paddles.

2. Countries

shall mean the Republic of South Africa and Namibia and up to 20km (twenty kilometres) from the shores of these countries.

3. Dinghy

shall mean a small boat propelled by paddles.

4. Inboard motor

shall mean a motor attached to the inside of the hull of a watercraft. An inboard motor forms part of the watercraft.

5. Jet ski

shall mean a small self-propelled vehicle for one person resembling a scooter, which skims across water on a flat keel, is steered by means of handlebars and propelled by a jet of water.

6. Kayak

shall mean a boat where the paddler faces forward, legs in front, using a double-bladed paddle.

7. Motorboat

shall mean boat propelled by engine or other motor, which may be either an inboard or outboard motor.

8. Outboard motor

shall mean a motor attached to the outside of the hull of a watercraft. The outboard motors attached to the Insured's watercraft are only covered if stated in the Schedule.

9. Sailboat

shall mean a small boat propelled partially or wholly by sail.

10. Seaworthy

shall mean a watercraft that can be used safely on water.

11. The Insured

shall mean the names and/or entities stated in the Schedule, including the Insured and any members of the Insured's family or the Insured's spouse's family who normally live with the Insured and in the event of the Insured's death, the Insured's estate.

12. The Insured's watercraft

shall mean the hull not exceeding 12m (twelve metres) inboard motors, rudder, propeller, hoardings, moorings, sails, spars, masts, rigging, fixtures, fittings, batteries, erected tackle, protective covers and equipment of any watercraft stated in the Schedule.

13. Watercraft

shall mean a boat or other vessel that travels on water.

DEFINED EVENTS

In the event of any motor vehicle comprehensively insured under this section being damaged, stolen or hijacked, the Insurer will supply the Insured with a hired car from a car hiring organization designated by the Insurer. If the insured vehicle is unusable or being repaired after a claim the Insurer has accepted under this section of the policy, the car will be issued to the Insured subject to availability, in terms of the insured car hire group shown in the Schedule.

Compensation in respect of the vehicle having sustained damage which is irreparable or loss through theft commences from the time that the vehicle cannot be driven following loss or damage or while the vehicle remains unrecovered following theft.

CAR HIRE GROUPS

The car hire options that apply to this section of the policy are grouped as follows:

1. Group B: Compact (Polo hatch manual or similar)
2. Group C: Intermediate (Corolla manual or similar)
3. Group D: Compact (Polo hatch automatic or similar)
4. Group G: Premium (BMW 320i automatic or similar)
5. Group J: LDV (Toyota Hilux single cab or similar)
6. Group K: 4X4 (Nissan X Trail or similar)

SPECIFIC CONDITIONS

The following terms and conditions apply to this section of the Policy.

1. Claims

means any request for car hire based on the selection shown in the Schedule following a valid claim in terms of the underlying motor section of this policy, where cover has been provided to the Insured in respect of the lost or damaged vehicle.

2. Specific conditions

The following conditions apply to this section of the policy.

- a) The Insurer will supply the hired car only after having received full information about the loss or damage.
- b) The Insurer will supply the hired car to the Insured for a period which will in total not be more than 30 (thirty) days.
- c) The car-hire group selected by the Insured includes the following:
 - i) A vehicle as selected by the Insured from our available options and shown in the schedule;
 - ii) Unlimited kilometers;
 - iii) Car accident damage cover;
 - iv) Car theft cover;
 - v) Airport surcharge;
 - vi) Tourism levy;
 - vii) Main driver plus 1 additional named driver.

3. Valid credit card

The Insured must have a valid credit card issued in the Insured's name with which to pay the vehicle rental company for the fees and excesses. It is the responsibility of the Insured to find out these costs when the Insured takes delivery of the hired car. The Insured will be supplied with a hired car only in the Republic of South Africa.

4. Other countries

If the Insured needs a hired car in Namibia, Lesotho, Botswana, eSwatini, Zimbabwe, Malawi or Mozambique, the Insured may hire a car from a recognized vehicle rental company in those countries. The Insured may pay for it and send us a copy of the invoice. When the Insurer receives the invoice, the Insurer will compensate The Insured according to our approved rates for the group of vehicle supplied in the Republic of South Africa and/or elected by the Insured in terms of policy.

SPECIFIC EXCEPTIONS

The following costs are for the Insured's own account:

1. delivery and collection fees from the nearest vehicle rental company contracted by us, if applicable;
2. one-way drop-off fees;
3. contract fees;
4. the cost of any extra declared drivers;
5. fuel deposit as required by the vehicle rental company;

6. the cost of fuel and lubricants;
7. administration fees for traffic fines;
8. breakage of windscreen/windows;
9. extra days in excess of the 30 (thirty) days or lesser period as approved by us;
10. claims handling fees in the event of a claim in the hired car;
11. hiring of baby seats and/or booster chairs;
12. hiring of Global Positioning Systems (GPS);
13. any excess included in any policy covering the hired vehicles;
14. water and undercarriage damage;
15. costs associated with the operation of the hired car;
16. traffic fines;
17. the difference in costs between the car-hire group the Insured selected and a more expensive car-hire group;
18. the motor vehicle will not be replaced by another motor vehicle in the event of damage or theft/hijack while on loan to the Insured. However, the Insurer will replace the vehicle if it cannot be used solely due to mechanical breakdown beyond the control of the insured while the vehicle is on loan to the Insured.

Cover shall terminate as soon as any one of the following takes place:

1. the date on which the vehicle is repaired and is ready for collection, if repairs have been authorised by us;
2. the date on which the Insurer settles the Insured's claim by a cash payment;
3. the date on which the Insurer replaces the vehicle;
4. the date the Insurer discharges its liability for a total loss of the vehicle.

ROADSIDE AND ACCIDENT ASSISTANCE

Roadside Assist is available 24 (twenty-four) hours a day, 365 (three hundred and sixty-five) days a year throughout South Africa, Lesotho and eSwatini. During severe weather conditions, civil disturbance or national emergencies, IUM reserves the right temporarily to suspend service to clients who are not in a place of safety.

THE SERVICES

The following services will be provided in the event of a roadside emergency:

- 1. Vehicle locksmiths (not for key replacements) broken keys, keys locked in vehicle**
- 2. Flat tyre assistance**
- 3. Minor roadside repairs by mechanic (electrical, coil, immobilizer, etc.)**
- 4. Fuel assistance (approximately 20l (twenty litres) of fuel should it be required in emergency situations)**
- 5. Roadside referral (direction assist)**
- 6. Jump start (flat battery)**
- 7. Transmission of urgent messages**
- 8. Tow-in: Collision**

a) Towing of vehicle to nearest approved dealership (if under warranty), panel beater/repair centre from point of incident. The Insurer will cover costs to a maximum of R1,850 (one thousand eight hundred and fifty Rand) (including VAT). Any costs exceeding this amount will be invoiced to the insurer as part of the claims cost. Should the Insured decide not to register a claim, or the claim is repudiated or rejected, the Insured will be liable for the costs.

b) The Insurer shall arrange for transport of the vehicle to a service provider as may be authorised by the Insured from time to time.

9. Tow-in: mechanical, electrical or electronic breakdown

The Insurer will tow the vehicle to the nearest repairer from the point of breakdown and will cover costs to a maximum of R1,500 (one thousand five hundred Rand) (including VAT). Any costs exceeding this will be payable by the vehicle owner/driver.

10. Courtesy transport

Group-B car hire (if the vehicle has broken down more than 100 km (one hundred kilometers) from a permanent place of residence/ business to a limit of R500 (five hundred Rand)) (The eligible person can choose a higher level vehicle but will have to pay the difference in costs).

11. Hotel accommodation

Overnight hotel accommodation for a maximum of 4 (four) persons in an establishment of IUM's choice if the vehicle has broken down more than 100km (one hundred kilometres) from home to a limit of R500 (five hundred Rand) (meals are excluded).

12. Vehicle repatriation

In the event that a vehicle is left for repairs, the Insurer will pay up to R500 (five hundred Rand) for 24 (twenty-four) hours of Group-B car hire or a flight ticket to collect the vehicle after the repairs. Alternatively, if the vehicle was towed closer to the Insured's place of residence, the additional tow costs will be supplemented with the car rental.

13. Special notes

- a) Car hire companies require the driver to present a valid driver's license and credit card before they will provide a vehicle. This is a requirement of the car hire companies and cannot be over-ridden by The Insurer.
- b) Provision of car hire and accommodation is subject to availability.
- c) The Insurer will resolve disputes with appointed contractors where loss or additional damage may have occurred while the vehicle was in the care or control of such contractor.
- d) Costs incurred without prior authorisation will not be reimbursed.

14. Eligible person(s)

Service will be provided to an active, enrolled and fully paid up eligible person(s). Prior to rendering any service, IUM will validate membership and in some cases may request proof of identification. As with all assistance services, if the Insurer cannot verify that the eligible person is active they may be required to pay for the service, which will be charged at the prevailing rate.

15. Eligible vehicles

- a) Vehicles must be legally licensed to the policyholder.
- b) 4 x 4 vehicles (excluding use for off-road recreational purposes and where IUM cannot reach the eligible person from a normally travelled or established thoroughfare).
- c) Passenger vehicles not more than 3500kg (three thousand five hundred kilograms) (excluding rental cars, commercial vehicles, buses, taxis and limousines).
- d) Motorcycles.
- e) Vehicles not older than 10 (ten) years (applicable to breakdown only).

- f) Dual wheel campers, motor homes and pick-up trucks will not be provided tyre assistance, towing or extrication.
- g) Where a trailer is attached to a vehicle where assistance has been requested, assistance will be provided unless the trailer was the cause of the breakdown.
- h) No vehicle will be provided assistance where the breakdown was caused by any off-road recreational activity and where IUM cannot reach the eligible person by a normally travelled or established thoroughfare.
- i) The vehicle must be in a roadworthy condition.

16. Assistance

- a) Assistance will be provided only where the contact centre was contacted, should the eligible person contact a service provider directly, IUM will not be liable for the claim, or the payment thereof.
- b) Where IUM has requested a service provider to assist the eligible person and that person contacts an independent service provider in the interim then the eligible person shall be liable for the costs of both service providers, this clause shall not be applicable where the Insurer has NOT informed the eligible person of a delay in assistance provision.
- c) The service will include one call out per disablement and limits as detailed below, specific to each benefit. Charges for services that exceed these limits will be for the eligible person's cost at the prevailing hourly or kilometer rate of the region where the service is rendered.
- d) The eligible person shall be with the vehicle at the time of service and assistance. IUM will not be responsible for any damage or loss from unattended vehicles or previous damage.
- e) If the vehicle is still under warranty, IUM reserves the right to refer the assistance to the warranty provider. Where IUM has provided assistance for a vehicle under warranty the eligible person shall absolve IUM from any warranty dispute.

17. Benefits

All benefits are subject to overall limits as indicated in Annexure A1 and A2 for a 12 (twelve) month period. The contact centre retains the right to use the most reasonable and cost effective solution. Any shortfall between actual cost and the allowance included in the individual benefits must be settled by the eligible person with the relevant service provider. The service provider will pay a maximum of R1850 (one thousand eight hundred and fifty Rand) (including VAT) per tow irrespective of whether it is within the 40km (forty kilometer) radius or not.

18. Flat tyre

IUM will call out a service provider to fit a spare tyre. It remains the eligible person's responsibility to ensure that the spare tyre is inflated and serviceable. IUM will not cover the cost of repair to either tyre or replacement thereof. Should more than one tyre be flat, the vehicle will be towed to the nearest repairer. Should the eligible person not have the lock nuts in the case of mag wheels, the vehicle will be towed to the nearest repairer.

19. Flat battery

If the battery of an eligible person's vehicle runs down and the vehicle won't start, then IUM could call out a service provider to attempt to jumpstart the vehicle. The eligible person will be advised that on certain vehicles the act of jumpstart may damage the vehicle's computer. If the eligible person's vehicle falls within this category, they will be advised that it would be better to tow the vehicle to a suitable repairer rather than attempting a jumpstart. If the eligible person insists on a jumpstart, they absolve IUM from any liability and if the jumpstart is not successful, the eligible person will bear any subsequent tow charges. The Insurer will not cover the costs of replacing the battery.

20. Fuel

If the eligible person is stranded next to the road as a result of running out of fuel, then IUM will arrange for 20l (twenty litres) of fuel to be delivered to the eligible person, to a maximum benefit of 3 (three) times per year. The cost of the fuel will be borne by the eligible person. Specific brands of fuel cannot be guaranteed.

21. Locksmiths

- a) If the eligible person is stranded as a result of their vehicle's keys being locked inside their vehicle, then IUM will call out a service provider to assist to a maximum of one hour's labour. IUM will not cover the cost of the key or remote control replacements. The eligible person will warrant that they are authorised to access the vehicle and IUM will not be held liable for gaining such access.
- b) Should the vehicle not be driveable due to loss/damage of keys, IUM will suggest that the vehicle be towed to an authorised repairer. Should the eligible person require that the service provider renders the vehicle driveable by whatever other means, these costs will be for the eligible person's account and The Insurer will not be liable for any resultant repairs or damages.

22. Our guarantee

If an eligible person contacts the contact centre and IUM appoints a service provider to assist and the vehicle is not towed to an approved repairer, IUM commits to pay any related release fees, storage costs and second tow costs related to the event.

EMERGENCY HOUSEHOLD AND OFFICE ASSISTANCE CALL OUT AND 1-HOUR LABOUR

This is an assistance service providing access to essential services that may be required in an emergency within the principal building and adjoining buildings of the eligible person, up to three incidents per year subject to a limit of R3,000 (three thousand Rand) per policy per annum.

The service is available 24h (twenty-four hours) a day, 7 (seven) days a week and includes call-out and the first hour labour charge. Thereafter labour and any parts costs are for the eligible person's account. Assistance is applicable for the household or office of the eligible person and does not extend to municipal or Eskom property.

1. The service

The following services will be provided in the event of a home and office assist:

- a) Emergency services notification and call-out.
- b) Plumbers.
- c) Electricians.
- d) Locksmiths.

- e) Builders (referral only).
- f) Carpet specialists for flood damage (referral only).
- g) Appliance assistance (white goods only).
- h) Painters (referral only).
- i) Garden services (referral only).
- j) Fire damage (referral only).
- k) Brown appliances (TV, VCR, HiFi, etc.) (Referral only).
- l) Glazier.

2. Exclusions

- a) Appliances 8 (eight) years and older are excluded but can be covered on a fee for service basis.
- b) Motors and pumps are covered on a fee for service basis only.
- c) Intercom systems & alarms and electric fences are covered on a fee for service basis.

3. Referral service

The eligible person has full access to our service provider database, where the call centre offers assistance; however, all expenses incurred are for the eligible person's account.

4. Electrical

Call out fee and 1 (one) hour labour is covered in the following emergencies only:

- a) Faulty lights and fittings – where the fault is tripping all the electricity in the main house.
- b) Faulty plugs – where the fault is tripping all the electricity in the main house.
- c) Faulty circuits/distribution boards – where the fault is tripping all the electricity in the main house.
- d) Power failures – excludes council problems.
- e) Earth leakage relays.
- f) Burst geyser, geyser elements and thermostats.
- g) Stove plate elements and switches.

5. Exclusions on electrical

- a) Repairs to obtain compliance certificates.
- b) Upgrading of infrastructure.
- c) Non-SABS compliant installations.
- d) Fault finding/electrical detection.

6. Plumbing

Call out fee and 1 (one) hour labour is covered in the following emergencies only:

- a) Water leaks causing water damage to the interior of the house, i.e. taps and toilets.
- b) Geyser valves and elements.
- c) Burst pipes causing damage and restricting water in the home environment.
- d) Blocked and overflowing toilets.

7. Exclusions on plumbing

- a) Compensation for consequential damage.
- b) Upgrading of infrastructure.
- c) Cleaning septic tanks/french drains.
- d) Lifting or refitting tiles or paving.
- e) Use of drain machine.
- f) Water leak detection.
- g) Municipal connections.
- h) Non-SABS compliant installations.
- i) Blockage due to cement, collapsed pipes, extensive tree roots, or other foreign objects, which cannot be opened by standard drain equipment.
- j) Replacement/re-routing of pipes.
- k) Specialised or imported sanitary ware.
- l) Underground water fault detection.

8. Appliances

Call out fee and 1 (one) hour labour is covered in the following emergencies on "white goods" (washing machines, stoves, fridge, freezer, dish washer, tumble dryer) only.

9. Exclusions on appliances

- a) Repair and replacement of faulty parts.
- b) Where parts are no longer available or the item is irreparable.
- c) Any appliance over the age of 8 (eight) years.
- d) Where the appliance is under the manufacturer's warranty (Repairs by unauthorised service providers will render the manufacturer's warranty null and void).
- e) Appliances used for commercial/industrial purposes or for hire.
- f) Repairs to external framework of the appliance.
- g) Cleaning, repair or replacement of filters, light bulbs, glass shelving or auxiliary items e.g. ice maker.

10. Locksmiths

Callout and 1 (one) hour labour is covered if the eligible person is locked out of their permanent residence, has lost their keys or keys are not available. The eligible member will warrant that they are authorised to enter the premises.

11. Exclusions on locksmiths replacement keys and locks

12. Emergency services notification and call-out

At the request of the Insured the Insurer will relay notification of emergencies to the police, traffic, fire brigade, ambulance, security or any other emergency service provider.

13. General exclusions

The Insurer shall not be liable for:

- a) Repairs effected by a party other than IUM or one of its duly appointed service providers;
- b) Any event that would be insurance related where the Insured could claim from the Insurer;
- c) Loss or damage caused by fire, lightning, storm, water, malicious or accidental damage, theft or any risks covered in terms of a standard multi-peril or personal lines/commercial insurance policy;
- d) Compensation for consequential damage of any nature;
- e) The first amount payable and the amount of the claim in excess of the covered limit, as stated on the schedule in respect of each and every event which gives rise to a claim, which amount shall be payable to the service provider on completion of the repair;
- f) Repair or replacement of any breakdown to items or any part thereof covered by the manufacturers/installer's warranty/guarantee or the National Home Builders Registration Council's Warranty Scheme;
- g) Upgrading of infrastructure;
- h) Damage occurring in connection with or resulting from aesthetic defects such as cracks, scratches or dents insofar as they do not adversely affect the normal operation of the Insured's property;
- i) Breakdown of items or parts recalled or to be recalled by the manufacturer/installer;
- j) Any activity from the home unless such activity has been notified to and accepted by ourselves;
- k) Damages which may be caused, whether direct or indirect, by repairers/sub-contractors to any items/property in the home in the course and scope of repairing the damage/loss;
- l) Repair or replacement of any breakdown to items or any part thereof covered by the manufacturers/installer's warranty/guarantee or the National Home Builders Registration Council's Warranty Scheme;

MEDICAL ASSISTANCE

All benefits are subject to an overall limit of R10,000 (ten thousand Rand) per policyholder per 12 (twelve) month period. The contact centre retains the right to use the most reasonable and cost effective solution. Any shortfall between actual cost and the allowance included in the individual benefits must be settled by the eligible person with the relevant service provider. This applies in the Republic of South Africa only.

1. The service

- a) Emergency medical advice and information.
- b) Emergency telephonic medical advice and information, 24 (twenty-four) hours a day, seven days a week.
- c) Emergency medical response by road or air to scene of medical emergency.
- d) Emergency medical transportation to nearest appropriate medical facility.
- e) Inter-hospital transfer.
- f) Medical repatriation.
- g) Escorted return of minors.
- h) Compassionate visits.
- i) Repatriation of patient or return of mortal remains.
- j) Specialised travel advice through travel clinics.

- k) Access to Rape Centres of Excellence.
- l) Professional and confidential human immunodeficiency virus (HIV)/Aids (acquired immunodeficiency syndrome) advice.
- m) Transfer of patient to most appropriate medical facility.
- n) Emotional support and tele-counselling.
- o) Transfer of life saving medication and emergency blood.
- p) Confidential non-emergency medical information and advice.

ADVANCED LIFE SUPPORT

1. Emergency medical advice and information

The service provider will provide the eligible person (or caller on his/her behalf) with advice and information regarding any emergency medical condition by telephone so that emergency assistance can immediately be provided to a person suffering illness or injury until a medical team arrives at the scene. The advice and information shall be regarded as such and not as an accurate or definitive diagnosis of any condition any person might suffer.

2. Life support

Utilising a fleet of air or road mobile intensive care ambulances and rapid medical intervention vehicles (manned by doctors, nurses and paramedics) immediate response is undertaken to the scene of a medical emergency. Where appropriate advanced life saving resuscitation will be provided to the eligible person and where relevant, the eligible person will be stabilised before transfer is provided to the closest appropriate medical facility.

3. Transfer of the eligible person to the most appropriate medical facility

In all life threatening medical emergencies, the eligible person will be transported by road or air to the most appropriate and closest hospital that can effectively manage that particular condition and provide continuity of care, as determined and at the sole discretion of the medical director of the service provider. If the condition is not life threatening, but necessitates the use of an ambulance, the eligible person will be transported to a preferred provider hospital if necessary, as determined and at the sole discretion of the medical director of the service provider. All elective aero medical transfers serve to upgrade the continuity of care of the eligible person to a tertiary medical facility and must be deemed to be medically justified prior to air ambulance transportation. Any elective aero medical transfer destined for a lower level of care, step-down facility or for chronic management, will be evaluated case by case at the sole discretion of the medical director of the service provider.

4. Transfer of the eligible person to a specialist diagnostic and therapeutic medical care centre

Any eligible person who requires specialist diagnostic or therapeutic procedures which cannot be performed by the admitting hospital, will be transferred by road or air to the receiving facility where such procedures or specialist care can be performed, as determined and at the sole discretion of the medical director of the service provider. The transfer of the eligible person shall be limited to one one-way transfer to the facility able to provide the specialist diagnostic interventions. Any return trip that is undertaken will not be covered under this agreement. The Contact Centre must arrange all arrangements for transfer of a patient.

5. Transfer of life saving medications and emergency blood if required

If life saving emergency medications or emergency blood products (thus excluding standard routine delivery and/or charges for blood) are required which cannot be obtained at the medical facility responsible for the eligible person's treatment, then the emergency medication will be transported to the eligible person.

COMPREHENSIVE PRE-HOSPITAL SERVICES

1. Non-emergency/general medical (telephonic) consultation and advice

Medical and nursing practitioners will provide an eligible person with advice and information regarding medical conditions by telephone, which will inter alia include:

- a) general medical advice;
- b) chemical substance misuse or abuse;
- c) data concerning referrals to hospitals, doctors, dentists and pharmacies;
- d) medical travel information and advice;
- e) generic medicine advice;
- f) preferred provider advice and or referral where applicable;

Any advice and information shall be regarded as such and not as an accurate or definitive diagnosis of any condition any person might suffer.

2. Routine medically justifiable ambulance transfers

Whenever non-emergency medically justifiable ambulance transport is required to transfer the eligible person either from home to hospital or from hospital to hospital, arrangements if made through the service provider contact centre will ensure that such transport is undertaken whenever required by road. the medical necessity of such transportation will be determined by the allocated service provider's medical director. However, any arrangements made with independent ambulance transportation services and not authorised and approved by the Insurer with a reference number, are not the responsibility of the Insurer in any way. Medically justifiable transfers will be determined by the eligible person requiring definitive medical intervention in transit. Should the inter-hospital transfer be requested due to the unavailability of other modes of transport and not due to medical necessity, the eligible person will be liable in full for the costs of transportation.

3. Additional patient costs (not covered by the programme)

- a) If the patient requires emergency evacuation it will be arranged. However, the patient will be liable for this cost.
- b) Should there be any trauma that requires surgical or other procedures, this will not be covered by the programme and will be explained to the patient in advance as well as to the attending medical officer. The patient can pay for this him/herself, or can claim it from his/her medical scheme or can be referred to a government trauma centre.

CONFIRMATION OF INSURANCE

1. The service

- a) When the offices of the insurer/underwriter/administrator/broker are not open, the policyholder can call the contact centre for confirmation of insurance.
- b) This is sometimes required when the policyholder has purchased a new motor vehicle or other asset which needs to be placed on cover with the insurance.
- c) As this only applies to existing, paid up clients, the contact centre will verify the policyholder's status before providing such a letter of temporary cover. Certain parameters may be advised by the insurer to ensure the contact centre does not act outside of its delegated authority. Such parameters could include maximum value to be insured, type of asset to be insured, etc.
- d) The insurer's underwriting department will be advised that such a confirmation of insurance was issued, to enable them to liaise with the Insured.

SAFE 'N SOUND

If the insured is aware of a function or event where after he or she may need alternative transport home, he or she can pre-book to be assisted home safe 'n sound.

1. Limit

- a) 6 (six) free trips per year which includes 50kms (fifty kilometres) per trip (capped at R750 (seven hundred and fifty Rand) per trip) and thereafter a fee of R10 (ten Rand) per kilometre is payable directly to the driver.
- b) The service is available 50kms (fifty kilometres) from the city centre.
- c) Assistance outside of these areas may be arranged (subject to availability) but at an additional charge.
- d) The service is available for personal lines only.
- e) The service is available in the following areas:
 - i) Johannesburg
 - ii) Pretoria
 - iii) Port Elizabeth
 - iv) Cape Town
 - v) Durban
 - vi) Bloemfontein
 - vii) Stellenbosch

2. Terms and conditions

- a) This is a pre-booking service and must be booked at least 2 (two) hours in advance.
- b) Bookings must be made directly with the contact centre and clients must provide the call centre with all relevant information including but not limited to:
 - i) Collection time
 - ii) Collection address
 - iii) Drop off address
 - iv) Vehicle details
 - v) Passenger details
 - vi) Alternative contact details
- c) This service is subject to the availability of drivers.
- d) Payments for any additional kilometres travelled over and above the benefit must be settled at time of collection directly with the driver.
- e) Any disputes regarding distances travelled must be referred to the assist call centre and not directly with drivers.
- f) The Insured's vehicle must have sufficient fuel in the vehicle to reach the final destination. Should this not be the case, the driver will visit the nearest petrol station to obtain enough fuel to complete the trip. Any associated costs will be for the client's account. Should the Insured not be in a position to pay for the required fuel Safe 'n Sound reserves the right to terminate the trip. The full benefit will be deducted from their annual limit.
- g) Clients can take a maximum of 3 (three) passengers with them in the vehicle. Passengers drop offs must be on route to the final drop off address of the Insured.
- h) Should a driver be delayed the call centre will contact the Insured and inform him of the delay.
- i) Drivers will wait outside the collection venue for a maximum of 20 (twenty) minutes after collection time, thereafter the driver will have to leave and the Insured's benefit will be forfeited and deducted from their annual limit.
- j) Drivers will not be able to stop on route for any reason including but not limited to purchasing food or cigarettes.
- k) Cancellations must be made at least 1 (one) hour prior to collection time. Should a booking be cancelled within 1 (one) hour prior to the agreed collection time, the trip will be cancelled and the benefit will be deducted from the Insured's annual limit.

l) Trading hours

The Insurer only provides the service for these trading hours.

i) The service is available 365 (three hundred and sixty-five) days a year.

Monday – Thursday	18:00 – 03:00
Fridays – Saturdays	15:00 – 03:00
Sundays	16:00 – 03:00

m) All drivers have valid South African driver's licenses.

n) The Insured's insurance must cover additional drivers driving the Insured's vehicle.

o) Should any damage occur whilst the service provider's driver is operating the vehicle it will be the sole responsibility of the Insured to claim through their insurance.

p) Should the Insured's vehicle not be within a roadworthy condition or registered, the service provider reserves the right to withhold service.

q) Should the Insured or their vehicle be in the possession of any illegal substances, weapons or alcohol the service provider reserves the right to withhold service.

r) Clients must at no time give gratuities to drivers.

s) The service provider will not be held responsible for any damage to the vehicle or theft of goods.

3. Collections

Collections that take place on a public holiday will not incur extra costs and the operating procedure will remain the same, with the exception of 31 December. Any calls that take place on the evening of 31 December and early morning of 1 January must be booked by no later than the 16:00 on the 30 December.

CRIME ASSIST

1. The service

If the Insured is stranded as a result of the vehicle being stolen or hijacked then the Insurer will provide Group-B car hire for 48 (forty-eight) hours.

a) If the Insured's cellular phone has been stolen as a result of hijacking, the Insured will be provided with a cellular phone loaded with pre-paid airtime to the value of R100 (one hundred Rand).

b) If the Insured's credit card is stolen, the Insured will be provided with a pre-loaded debit card to the value of R500 (five hundred Rand).

c) If the Insured's keys are stolen in a hi-jacking, a locksmith will be provided to assist with opening the locks, up to the value of R1,000 (one thousand Rand).

d) If the Insured's is hijacked at the Insured's residence or a home invasion takes place, a security guard will be placed at the residence for 24 (twenty-four) hours.

e) If the Insured's home has been invaded, the Insured will be provided with hotel accommodation to the value of R1,000 (one thousand Rand).

LEGAL ASSIST

1. 24 (twenty-four) hour legal advice

The Insured and their immediate family has access to a 24 (twenty-four) hour legal advisory services on any aspect of the law such as criminal law, family law, constitutional law, child law, labour law, motor law, etc.

2. 30 (thirty) minute free consultation

In the event that any matter requires further legal action, the Insured will be referred to a lawyer forming part of our national network for a direct free 30 (thirty) minute consultation.

3. Free standard legal documents

The Insured will be provided with a purchase, sale, lease or prenuptial agreement, employment contract, etc at his/her request. This will include advice on each of the documents and the procedures and principles that apply.

MOBILE APP

1. A mobile app named iAssist will be developed giving the Insured access to the services mentioned in this agreement.

2. The app will include an intelligent panic button which will be linked to a crisis manager to assist with the emergency situation by providing the services contained in this agreement.

3. The app will include access to inter alia, the insured's policies, assets, personal information, services, claim capturing, messages, referrals, help and terms.

GEYSER REPLACEMENTS

1. The Insurer will provide a geyser replacement service and maintain control over the costs of geyser replacement to ensure that these costs are kept to a minimum by providing a branded name under the IUM name.

2. The repairs will be done only on verification of the policy holder's details and within the specific requirements of any excess fee structures. Set costs per geyser category will be agreed upon.

3. All service providers will be recognised with IOPSA (Institute of Plumbing South Africa).

DEFINED EVENTS

The Insurer will pay the Insured or the Insured's driver for the cost of replacing lost or damaged:

1. personal documents including identity documents, passports, visas and vaccination certificates in respect of the value of the materials and the cost of labour to replace such personal documents;
2. printed road maps or nautical maps, travel guides, permits or certificates which allow any insured vehicle or vessel entry into or exit from countries or waters in respect of the value of the materials and the cost of labour to replace such personal documents;
3. cassette tapes and/or compact discs;
4. USB flash drives;
5. vehicle electronic equipment chargers;
6. audio cables.

Provided that:

1. the insured vehicle is stated in the Schedule in respect of this extension; and
2. The Insurer's liability is limited to Rthe amount sated in the Schedule for any one claim.

DEFINED EVENTS (EXCLUDING MOTORCYCLES)

In the event of any of the insured tyres, rims, suspension and/or undercarriage suffering damage from a pothole (as defined), the Insurer will indemnify the Insured against the cost of repairs or replacement limited to the amounts stated in this section of the policy wording.

DEFINITIONS

Definitions for this section of the policy:

1. Cost of repair

shall mean usual and reasonable charges for components and/or labour to repair the Insured's tyres, rims, suspension and/or undercarriage as defined.

2. Insured tyres and rims

shall mean any two tyres and rims fitted to the eligible insured vehicle.

3. Pothole

shall mean a depression, hollow, hole, pit, ditch, cavity, trench, crack, break or tear in a road surface caused by wear or subsidence in the road surface. Cover includes exposed manhole covers. Cover excludes speed humps/speed bumps.

4. Road

shall mean an open generally public way, long, narrow stretch with a smoothed, paved or tarred surface, made for the passage of vehicles, people, and animals, between two or more points; street or highway.

5. Road surface

shall mean asphalt, concrete or tarred surface of a road as defined only.

6. Suspension

shall mean any component of the mechanical suspension system comprising of springs or shock absorbers connecting the wheels and axles to the chassis of a wheeled vehicle. This system includes other devices that insulate the chassis of a vehicle from shocks transmitted through the wheels.

7. Undercarriage

shall mean damage to underside parts of the eligible insured vehicle. Cover includes damage to the engine, exhaust system and other parts forming part of the underneath of such vehicle.

SPECIFIC CONDITIONS

The following Terms and conditions apply to this section of the policy.

1. Duty of care

The Insured must take all reasonable precautions and all reasonable care to prevent or minimise loss or damage. It is a warranty of this insurance that the Insured shall take all reasonable steps to maintain the insured vehicle in a proper state of repair and roadworthiness and that the Insured acts reasonably as owner/possessor to prevent or minimise any loss or damage.

2. Claims procedures**a) Tyres and rims**

In the any event of any occurrence which may result in a claim for tyres and/or rims only under this section of the policy the Insured must comply with the following:

- i) the Insured must notify the Insurer immediately of any event that may result in a claim, and advise the Insurer of any other policy which may cover the same event.
- ii) the Insured must give the Insurer full details of the event within 30 (thirty) days of the occurrence, as well as all those documents which the Insurer may reasonably require.
- iii) the Insured is required to call the Insurer immediately on 0861 886 886 to report the claim and to obtain a claim reference number.
- iv) the Insured must supply the Insurer with a full report from a registered tyre fitment centre confirming the remaining tread on any damaged tyres and confirmation that the damage was as a result of a pothole as defined.
- v) Once the claim reference number has been obtained from the Insurer and the Insurer has authorised the claim, the Insured is required to take the vehicle to a registered tyre fitment centre and have the tyres and/or rims repaired or replaced at either the Insured's own cost or alternatively at The Insurer's cost.
- vi) Once the above has been completed the following must be provided to the Insurer:
 - a. The salvage/parts must be retained by the Insured until such time as the Insurer has either collected the salvage/parts or the Insurer has provided the written confirmation authorising such salvage/parts to be disposed of.
 - b. The Insured may not abandon any property until the claim has been approved by the Insurer, whether the Insurer has taken possession of it or not.
 - c. The invoice and receipt of payment to enable The Insurer to reimburse the Insured where the Insured has had the tyres and/or rims repaired or replaced at the Insured's own cost.

vii) The Insurer reserves the right to appoint an assessor to validate/assess a claim at any time.

b) Suspension and undercarriage

In the event of any occurrence which may result in a claim for suspension and/or undercarriage damage under this section of the policy the Insured must comply with the following:

- i) The Insured must notify the Insurer immediately of any event that may result in a claim, and advise the Insurer of any other policy which may cover the same event.
- ii) The Insured must give the Insurer full details of the event within 30 (thirty) days of the occurrence, as well as all documents which the Insurer may reasonably require.
- iii) The Insured is required to call the Insurer immediately on 0861 886 886 to report the claim and to obtain a claim reference number.
- iv) Once the claim reference number has been obtained from the Insurer, the Insured is required to have the vehicle assessed by the Insurer to validate/assess the claim prior to any repairs and/or replacement being carried out.
- v) The Insured may not abandon any property until the claim has been approved by the Insurer, whether the Insurer has taken possession of it or not.

PLEASE NOTE: If the Insured does not follow the above-mentioned procedures the claim may be invalidated/rejected.

3. Additional conditions

- a) The Insured is not entitled to indemnity under the underlying Insurer's policy and this section of the policy arising from the same happening in respect of the same loss or damage.
- b) The Insured will not be entitled to compensation for more than two claims in any annual period of insurance for any one comprehensively insured vehicle under this section of the policy.

4. Guarantee, warranty or manufacturer's undertaking

The Insurer shall not be liable for any loss in respect of any form of guarantee, warranty or manufacturer's undertaking which arises as a result of any claim accepted in terms this policy.

SPECIFIC EXCEPTIONS

This policy does not cover loss of or damage to property related to or caused by:

- 1. Tyres and rims fitted to vehicles over 3.5 (three and a half)tons (gross vehicle mass);
- 2. Tyres, where the tyre tread depth is below the legal limit allowed for in the regulations under the Road Traffic Act;
- 3. Speed testing, racing, reliability trails, hire or reward, off-road activities;
- 4. Loss or damage caused by a road traffic accident, fire or theft;
- 5. Any loss or damage not arising from pothole damage as defined;
- 6. Pre-existing damage and/or wear and tear related damage;
- 7. Any consequential losses incurred as a result of the damage to the insured tyres, rims, suspension and undercarriage;
- 8. The cost of repair or replacement if recoverable under any other insurance or warranty;
- 9. Any loss or damage incurred outside the Republic of South Africa.

LIMITS OF INDEMNITY

Subject to the limits, terms and conditions of the policy the amounts payable will be calculated as follows:

1. Tyres

A maximum amount as stated in the Schedule per tyre and a maximum of 2 (two) tyres per any one incident. The Insurer's liability will be subject to the following scale of benefits as applicable:

Table of compensation	
Remaining tread at the time of assessment	Claims against the original purchase price
8 out of 8 mm	87,50%
5 out of 8 mm	50,00%
1 out of 8 mm	0,00%
12 out of 12 mm	91,60%
10 out of 12 mm	75,00%
1 out of 12 mm	0,00%
9 out of 9 mm	88,80%
7 out of 9 mm	66,60%
1 out of 9 mm	0,00%
11 out of 11 mm	90,90%
6 out of 11 mm	45,50%
1 out of 11 mm	0,00%

2. Rims

The cost to repair the rims is limited to a as stated in the Schedule per rim and a maximum of two rims per any one incident. The Insured is responsible for the excess stated in the Schedule.

3. Suspension and/or undercarriage

The cost to repair the suspension and/or undercarriage of the insured vehicle is limited to the amount stated in the Schedule per any one incident. The Insured is responsible for the excess stated in the Schedule.

DEFINED EVENTS

In the event of any of the Insured's tyres, rims, suspension and/or undercarriage suffering damage from a pothole (as defined), the Insurer will indemnify the Insured against the cost of repairs or replacement limited to the amounts stated in this section of the policy wording.

DEFINITIONS

Definitions for this section of the policy:

1. Claim

means any request for compensation (indemnity), whether or not any amounts have been established for the claim.

2. Costs of repair

means the usual and reasonable charges for components and/or labour to repair the Insured's tyres, rims, suspension and/or undercarriage as defined.

3. Insured tyres and rims

means the any single tyre and rim fitted to the eligible insured vehicle.

4. Limit of indemnity

means the maximum compensation the Insurer will pay, subject to the limits/sums insured/benefits stated in the Schedule or section, towards any accepted claim the Insured may have in terms of this section of the policy.

5. Period of insurance

means the period of cover as specified in the policy Shedule and for which premium has been received for this section of the policy and accepted by the Insurer.

6. Pothole

means a depression, hollow, hole, pit, ditch, cavity, trench, crack, break or tear in a road surface caused by wear or subsidence in the road surface. Cover includes exposed manhole covers. Cover excludes speed humps/speed bumps.

7. Road

means an open generally public way, long, narrow stretch with a smoothed, paved or tarred surface, made for the passage of vehicles, people, and animals, between two or more points; street or highway.

8. Road surface

means the asphalt, concrete or tarred surface of a road as defined only.

9. Underlying insurance policy

means cover in force in terms of the motor section of this policy.

SPECIFIC CONDITIONS

The following terms and conditions apply to this section of the policy.

1. Period of this policy

The period of this policy is initially the period from the start date the cover was added to the policy, as shown on the Schedule, to the last day of the calendar month in which the start date occurs. After that, the period of this policy will be one calendar month at a time.

2. Premium payment

It is a condition of cover that at inception of the cover provided by this section of the policy, the Insured will pay the Insurer's premium as stipulated on the Schedule. Breach of this condition will entitle the Insurer to avoid liability for all losses pertaining to this section.

3. Duty of care

The Insured must take all reasonable precautions and all reasonable care to prevent or minimise loss or damage. It is a warranty of this insurance that the Insured shall take all reasonable steps to maintain the insured vehicle in a proper state of repair and roadworthiness and that the Insured acts reasonably as owner/possessor to prevent or minimise any loss or damage.

4. Claims procedures

In the event of any occurrence which may result in a claim for tyres and/or rims only under this section of the policy the Insured must comply with the following:

- a) The Insured must notify the Insurer immediately of any event that may result in a claim, and advise the Insurer of any other policy which may cover the same event.
- b) The Insured must give the Insurer full details of the event within 30 (thirty) days of the occurrence, as well as all those documents which the Insurer may reasonably require.
- c) The Insured is required to call the Insurer immediately on 0861 886 886 to report the claim and to obtain a claim reference number.
- d) The Insured must supply the Insurer with a full report from a registered tyre fitment centre confirming the remaining tread on any damaged tyres and confirmation that the damage was as a result of a pothole as defined.

- e) Once the claim reference number has been obtained from the Insurer and the Insurer has authorised the claim, the Insured is required to take the vehicle to a registered tyre fitment centre and have the tyres and/or rims repaired or replaced at either the Insured's own cost or alternatively at the Insurer's cost.
- f) Once the above has been completed the following must be provided to the Insurer:
- i) The salvage/parts must be retained by the Insured until such time as the Insurer has either collected the salvage/parts or the Insurer has provided the written confirmation authorising such salvage/parts to be disposed of.
 - ii) The Insured may not abandon any property until the claim has been approved by the Insurer, whether the Insurer has taken possession of it or not.
 - iii) The invoice and receipt of payment to enable the Insurer to reimburse the Insured where the Insured has had the tyres and/ or rims repaired or replaced at the Insured's own cost.

PLEASE NOTE: If the Insured does not follow the above-mentioned procedures the claim may be invalidated/rejected.

5. Guarantee, warranty or manufacturer's undertaking

The Insurer shall not be liable for any loss in respect of any form of guarantee, warranty or manufacturer's undertaking which arises as a result of any claim accepted in terms this policy.

SPECIFIC EXCEPTIONS

This policy does not cover loss of or damage to property related to or caused by

1. Tyres, where the tyre tread depth is below the legal limit allowed for in the regulations under the Road Traffic Act;
2. Speed testing, racing, reliability trials, hire or reward, off-road activities;
3. Loss or damage caused by a road traffic accident, fire or theft;
4. Any loss or damage not arising from pothole damage as defined;
5. Pre-existing damage and/or wear and tear related damage;
6. Any consequential losses incurred as a result of the damage to the insured tyres, rims, suspension and undercarriage;
7. The cost of repair or replacement if recoverable under any other insurance or warranty;
8. Any loss or damage incurred outside the Republic of South Africa.

SPECIFIC CONDITIONS

1. The Insured is not entitled to indemnity under the underlying Insurer's policy and this section of the policy arising from the same happening in respect of the same loss or damage.
2. The Insured will not be entitled to be indemnified for more than two claims in any annual period of insurance for any one comprehensively insured vehicle under this section of the policy.

LIMITS OF INDEMNITY

Subject to the limits, terms and conditions of the policy the amounts payable will be calculated as follows:

1. Tyres

A maximum amount as stated in the Schedule per any one incident. The Insurer's liability will be subject to the following scale of benefits as applicable:

Table of compensation	
Remaining tread at the time of assessment	Claims against the original purchase price
12 out of 12 mm	95%
10 out of 12 mm	80%
8 out of 12 mm	60%
6 out of 12 mm	40%
4 out of 12 mm	20%
2 out of 12 mm	10%
1 out of 12 mm	0%

2. Rims

The cost to repair the rims is limited to a maximum the amount stated in the schedule per rim and a maximum of two rims per any one incident. The Insured is responsible for the excess stated in the Schedule.

DEFINED EVENTS**1. Basic cover – tyres and valves**

The Insurer will indemnify the Insured against the cost of repair or replacement of a tyre including valves and balancing in the event of accidental damage to a tyre caused by hard braking, cuts, bursts or road inequalities. The Insurer will compensate the Insured for the cost of repair or replacement of a tyre including valves and balancing according to the terms and conditions of this section of the policy as stated below.

2. Extended cover – rims, tyre safety devices and suspension

The Insurer will indemnify the Insured against the cost of repair or replacement of a rim, mag, tyre safety device and/or suspension in the event of accidental damage to a rim and/or suspension caused from a pothole (as defined). The Insurer will indemnify the insured against the cost of repairs or replacement limited to the amounts stated in this section of the policy wording.

DEFINITIONS**1. Insured tyres and valves**

means the any two tyres including valves and balancing fitted to the insured vehicle.

2. Pothole

means a depression, hollow, hole, pit, ditch, cavity, trench, crack, break or tear in a road surface caused by wear or subsidence in the road surface. Cover includes exposed manhole covers. Cover excludes speed humps/speed bumps.

3. Rims

means the wheel and the outer edge of a wheel onto which the inside edge of the tyre is mounted.

4. Road

means an open generally public way, long, narrow stretch with a smoothed, paved or tarred surface, made for the passage of vehicles, people, and animals, between two or more points, street or highway.

5. Road surface

means the asphalt, concrete or tarred surface of a road as defined only.

6. Suspension

means the any component of the mechanical suspension system comprising of springs or shock absorbers connecting the wheels and axles to the chassis of a wheeled vehicle. This system includes other devices that insulate the chassis of a vehicle from shocks transmitted through the wheels.

7. Tyre safety device

means any mechanical or electronic device designed to provide information and/or protection in connection with the tyres of a vehicle.

SPECIFIC CONDITIONS

The following terms and conditions apply to this section of the policy.

1. Claims**a) Tyres and valves**

An insurance credit will be paid out should a tyre become irreparably damaged on a maintained South African road as a result of a cut, bruise, impact break or puncture, excluding cosmetic, chemical or atmospheric damages. The Insurer will credit the Insured with the insured value towards the net price of an equivalent new tyre, which must be purchased from and fitted at any approved tyre centre or mobile unit franchisee.

b) Rims, tyre safety devices and suspension

The Insured must notify the Insurer immediately of any event that may result in a claim for a rim, mag, tyre safety device. Once the claim reference number has been obtained from the Insurer, the Insured is required to have the vehicle assessed by the Insurer to validate/assess the claim prior to any repairs and/or replacement being carried out.

2. Guarantee, warranty or manufacturer's undertaking

The Insurer shall not be liable for any loss in respect of any form of guarantee, warranty or manufacturer's undertaking which arises as a result of any claim accepted in terms this policy.

SPECIFIC EXCEPTIONS**1. Applicable to tyres and valves claims**

The Insurer shall not be liable to pay for any loss or damage:

- a) to tyres on all fare paying transporting vehicles;
- b) to tyres fitted to vehicles over 3.5 tonnes (Gross Vehicle Mass);
- c) caused from and/or to safety devices built into or fitted in the tyre(s);

- d) being resultant damage caused to the tyre(s) by safety devices, or built in safety mechanisms;
- e) to tyres that have a tread depth at any point of less than 1mm;
- f) to tyres fitted to a vehicle used for racing, pace making, speed testing, track days, reliability trials, hire or reward, off road motorcycles, dispatch or courier services or driving tuition;
- g) to an insured vehicle for consequential losses incurred as a result of the damage to the insured rims, safety devices and/or suspension;
- h) to an insured vehicle that is caused by or through an accident to the motor vehicle on which the tyres were fitted;
- i) resulting from misaligned wheel balance;
- j) to retreads, i.e. tyres that have been refitted with rubber retreads;
- k) to an insured vehicle that is covered under a supplier or manufacturer's warranty or guarantee period;
- l) from or any liability arising from faulty manufacturing or fitment;
- m) to an insured vehicle resulting from an event covered by this policy;
- n) to rims or any safety devices fitted on or in the tyre;
- o) or liability to third parties or third party property damage;
- p) to an insured vehicle where any loss or damage incurred outside the Republic of South Africa.
- q) insured or insurable by a SASRIA policy;

2. Applicable to rims, tyre safety devices and suspension claim

The insurer shall not be liable to pay for any loss or damage:

- a) to rims, safety devices or suspension on all fare paying transporting vehicles;
- b) to rims, safety devices or suspension fitted to vehicles over 3.5 tonnes (gross vehicle mass);
- c) to rims, safety devices or suspension fitted tyres fitted to a vehicle used for racing, pace making, speed testing, track days, reliability trials, hire or reward, off road activities, dispatch or courier services or driving tuition;
- d) to vehicles as a result of speed testing, racing, reliability trials, hire or reward, off-road activities;
- e) to an insured vehicle caused by a road traffic accident, fire or theft;
- f) to an insured vehicle not arising from pothole damage as defined;
- g) to an insured vehicle where pre-existing damage and/or wear and tear related damage exists;
- h) to an insured vehicle for consequential losses incurred as a result of the damage to the insured rims, safety devices and/or suspension;
- i) to an insured vehicle which is covered under a supplier or manufacturer's warranty or guarantee period;
- j) to an insured vehicle from or any liability arising from faulty manufacturing or fitment;
- k) to an insured vehicle resulting from an event covered by this policy;
- l) to tyres and valves;
- m) or liability to third parties or third party property damage of liability thereto;
- n) to an insured vehicle where any loss or damage incurred outside the Republic of South Africa;
- o) insured or insurable by a SASRIA policy.

LIMITS OF INDEMNITY

1. Tyres and valves

The Insurer will indemnify the Insured for amounts due to an event which happens or arises in connection with the use of the insured vehicle as per the original amount on the invoice related to the purchase of tyres covered, less any wear and tear on the tyre at the time of the event of an occurrence that may result in a claim. Should a brand-new tyre be damaged within the first 30 (thirty) days or 500 (five hundred) kilometres of purchase, the Insured will receive 100% (one hundred percent) of the value of the damaged tyre. This will be credited towards the purchase of a new tyre from any insurer approved tyre centre or mobile unit franchisee. The Insurer will limit each and every claim to a maximum indemnity as stated in the Schedule per tyre less any wear and tear/run off tread. The Insurer's maximum liability per any one claim/incident is limited to the amount stated in the Schedule in total. Cover provided under this policy include(s) run flat tyre(s). Indemnity is based on the percentage of unused tread left on the tyre subject to the following table:

Table of indemnity	
Tread limit	Percentage of Liability
2mm	35%
3mm	50%
4mm	65%
5mm	75%
6mm	85%
7mm	100%

2. Rims, tyre safety devices and suspension

The cost to repair the rims and/or suspension of the insured vehicle is limited the amount stated in the Schedule per any one incident. The Insured is responsible for the excess stated in the Schedule.



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