



## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>General Exceptions, Conditions and Provisions</b>		
2. Asbestos	Asbestos (applicable to the Public Liability Section, Employers Liability Section and Sub-section D (Liability) of the Buildings Combined Section.	Replaced the word Public Liability with Broadform Liability and added Top Up Liability.
3. Nuclear	Except as regards the Fidelity, Stated Benefits and Group Personal Accident sections, 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:	Removed "Except as regards the Fidelity, Stated Benefits and Group Personal Accident sections".
Special extension to General exception 4. A. 1. (d), (e) and (f)	Currently not grouped together.	Grouped (d), (e) and (f) together and added "unless so described and specifically insured as a separate item".
6. Sanctions Limitation and Exclusion	Currently not included	The company shall not be liable to pay any claim or provide any benefit to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the company to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom of Great Britain and Northern Island or United States of America.
7. Pollution and Contamination Exclusion Clause	Currently not included	<p>This policy shall not cover any loss or damage due to contamination, pollution, soot, deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, epidemic and disease or due to any limitation or prevention of hazards to health.</p> <p>This exclusion does not apply if such loss or damage arises as a direct consequence of</p> <p>(a) the perils:</p>

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7. Pollution and Contamination Exclusion Clause	Currently not included	<ul style="list-style-type: none"> <li>Fire, lightning, explosion, impact of aircraft</li> <li>Vehicle impact, sonic boom</li> <li>Accidental escape of water from any tank apparatus or pipe</li> <li>Riot, civil commotion, malicious damage</li> <li>Storm, hail</li> <li>Flood, inundation</li> <li>Earthquake</li> <li>Landslide, subsidence</li> <li>Snow pressure, avalanche</li> <li>Volcanic eruption</li> </ul> <p>(b) physical damage of the type insured by this policy which occurred on the insured premises.</p>
3A. Cancellation	Currently a 60-day notice period applies.	The cancellation notice period has been amended to 31 days.
3B. Continuation of Cover	<p>Continuation of cover (where premium is payable by bank debit order or by transmission account)</p> <p>The premium is due in advance and, if it is not received by the company by due date, this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance unless the insured can show that failure to make payment was an error on the part of his bank or other paying agent.</p> <p>Due date will be the first day of every calendar month where premium is payable monthly, and the first day of</p> <p>(a) each third</p> <p>(b) each sixth or</p> <p>(c) each twelfth calendar month following inception where premium is payable quarterly, half-yearly or annually.</p>	<p>Replaced with the following:</p> <p>Premium obligations</p> <p>The premium is due in advance. The due date will be the first day of every calendar month where premium is payable monthly and the first day of ;</p> <p>(a) each first</p> <p>(b) each third</p> <p>(c) each sixth or</p> <p>(d) each twelfth calendar month following inception where premium is payable quarterly, half yearly or annually.</p> <p>If a premium is not received within 15 (fifteen) days of the due date cover will be cancelled from midnight on the last day of the preceding period of insurance.</p> <p>For monthly policies the 15 (fifteen) days grace period will only apply from the second month of the original inception date of the policy.</p>

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<b>General Exceptions, Conditions and Provisions</b>		
General Provisions	Currently not included	<p>K. Value Added Tax (VAT)</p> <p>All monetary amounts stated in the policy such as sums insured, limits of indemnity, first amounts payable and premiums are deemed to be Value Added Tax (VAT) inclusive amounts.</p> <p>Furthermore, in the event of a change in the rate of VAT during the period of Insurance, sums insured, limits of indemnity and if appropriate, premiums shall be adjusted automatically.</p>
General Provisions	Currently not included	<p>L. Period of Insurance</p> <p>If the period of insurance (Other than a first period of insurance) is for a period less than 12 months then the following amendments are made to the policy: (refer to the table in the wording for further reference)</p>
Warranties	Currently not included	<p>Added the following Warranties:</p> <ol style="list-style-type: none"> <li>1. Fire Fighting Equipment</li> <li>2. Storage and Handling of flammable Liquids and dangerous goods.</li> <li>3. Sprinkler Systems</li> <li>4. Gas Installations</li> <li>5. Lightning Conductors and Surge Arrestors</li> <li>6. Bush Clearance Warranty</li> <li>7. Chimney Maintenance</li> <li>8. Waste Warranty</li> <li>9. Extraction Maintenance Warranty</li> <li>10. Housekeeping</li> <li>11. Spark Arrestors</li> <li>12. Chimney Penetration</li> <li>13. Certificate of Electrical Compliance</li> <li>14. Fire Blankets</li> <li>15. Stacking Heights</li> <li>16. Pallet Warranty</li> </ol>
<b>Fire</b>		
Defined Events	Currently added as an extension	Additional Perils included under defined events
Specific Exceptions	Currently not included	3.This section does not cover any motorised vehicle of whatever

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<b>Fire</b>		
Specific Exceptions	Currently not included	description, except where the stock in trade consists of motorised vehicles.
Subsidence and Landslip (Limited Cover)	<p>Subsidence and landslip extension</p> <p>Damage caused by subsidence or landslip provided that the insured shall bear the first portion of each and every claim up to an amount calculated at 1 per cent of the sum insured on the property or R500 whichever is the greater.</p> <p>This extension does not cover</p> <ol style="list-style-type: none"> <li>1. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured</li> <li>2. damage caused by or attributable to                             <ol style="list-style-type: none"> <li>(a) faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises</li> <li>(b) workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises</li> <li>(c) excavation on or under land other than excavations in the course of mining operations</li> </ol> </li> <li>3. consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.</li> </ol> <p>In any action, suit or other proceeding where the company alleges that, by reason of the provisions of these exceptions, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the insured.</p>	<p>Replaced with: Subsidence and landslip extension (Limited Cover - If stated in the schedule to be included)</p> <p>Damage caused by subsidence or landslip of the land supporting the insured property or heave thereof provided that such loss or damage is not caused by or does not arise from</p> <ol style="list-style-type: none"> <li>1. normal settlement, shrinkage, or expansion of the land supporting the insured property.</li> <li>2. compaction or infill</li> <li>3. defective or faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises</li> <li>4. workmen engaged in making any structural alterations, additions or repairs to any building(s) situated at the insured premises.</li> <li>5. excavation on or under land other than excavations in the course of mining operations</li> <li>6. contraction and/or expansion of soil, clay or similar types or moist or damp</li> </ol> <p>The company will not be liable for</p> <ol style="list-style-type: none"> <li>1. loss of or damage to swimming pools and surrounds, tennis courts, patios, paths, driveways, terraces, septic or conservancy tanks, drains, water courses, walls, gates, posts and fences, retaining and screening walls unless the insured buildings are damaged at the same time by the same event.</li> <li>2. loss of or damage to solid floor slabs or any part of the insured property resulting from the movement of such slabs unless the foundation supporting the external walls of the insured building(s) are damaged by the same cause at the same time.</li> </ol>

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<b>Fire</b>		
Subsidence and Landslip (Limited Cover)		<p>3. consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.</p> <p>4. existing damage at the inception date of the policy.</p> <p>The insured will be responsible for the first R5 000 in respect of each and every claim.</p> <p>The company will not be liable for claims expenses to prevent further loss or damage due to subsidence, landslip or heave except where appropriate design precautions were implemented during the original construction of the insured property and any subsequent additions thereto.</p> <p>In any action, suit or other proceeding where the company alleges that, by reason of the provisions of these exceptions, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the insured.</p>
Subsidence and Landslip Extension (Full Cover)	Currently not included	<p>Subsidence and landslip extension (Full Cover - If stated in the schedule to be included)</p> <p>Damage caused by subsidence or landslip of the land supporting the insured property or heave thereof provided that such loss or damage is not caused by or does not arise from</p> <ol style="list-style-type: none"> <li>1. normal settlement, shrinkage, or expansion of the land supporting the insured property.</li> <li>2. compaction or infill</li> <li>3. defective or faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises</li> <li>4. workmen engaged in making any structural alterations, additions or repairs to any building(s) situated at the insured premises.</li> </ol>

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	Current	New
<b>Fire</b>		
Subsidence and Landslip Extension (Full Cover)	Currently not included	<p>5. excavation on or under land other than excavations in the course of mining operations</p> <p>6. contraction and/or expansion of soil, clay or similar types or moist or damp</p> <p>The company will not be liable for</p> <p>1. loss of or septic or conservancy tanks, drains, water courses unless the insured building(s) are damaged at the same time by the same event.</p> <p>2. consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.</p> <p>3. existing damage at the inception date of the policy.</p> <p>The insured will be responsible for the first 5% (five percent) of claim minimum R5 000 in respect of each and every claim.</p> <p>In any action, suit or other proceeding where the company alleges that, by reason of the provisions of these exceptions, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the insured.</p>
Stock Declaration Conditions	1. (b) "After each period of twelve consecutive months from the inception date or anniversary date", the premium shall be calculated	Replaced with: 1.(b) "After each period of insurance", the premium shall be calculated
<b>Buildings Combined</b>		
Defined Events	Currently not included	Included - Swimming Pools (except pools built above ground level and vinyl lined pools) and boreholes.
Subsidence and Landslip (Limited Cover)	Amended as per fire section	Please refer to the fire section above for wording.
Subsidence and Landslip Extension (Full Cover)	Currently not included – amended as per fire section	Please refer to the fire section above for wording.
Architects' and other professional fees	Currently limited to 15%	Increased to 20%

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	Current	New
<b>Buildings Combined</b>		
Motors and Pumping Equipment	Currently limited to R5 000 per insured event	Increased to R7 500 per insured event
Damage to Gardens	The insurance under this section includes costs up to R5 000 reasonably and necessarily incurred by the insured for the replacement of trees, shrubs, lawns, plants and fixed sprinkler installations situated in the grounds of the insured buildings and owned by the insured, following damage caused by fire, fire-fighting or other emergency services operations, explosion, impact by vehicles or aircraft or other aerial devices, deliberate or malicious acts but excluding theft and provided that the total amount recoverable shall not exceed the sum insured on the property affected.	The insurance under this section includes costs up to R5 000 reasonably and necessarily incurred by the insured for the replacement of trees, shrubs, lawns, plants and fixed sprinkler installations situated in the grounds of the insured buildings and owned by the insured, following damage caused by fire, fire-fighting or other emergency services operations, explosion, impact by vehicles or aircraft or other aerial devices <u>or articles dropped therefrom</u> , deliberate or malicious acts but excluding theft and provided that the total amount recoverable shall not exceed the sum insured on the property affected.
<b>Office Contents</b>		
Defined Events	Property owned by any partner or director or employee of the insured up to an amount of R2 500 per person while contained in the offices	Increased Limit -Property owned by any partner or director or employee of the insured up to an amount of <u>R5 000</u> per person while contained in the offices
Specific Exceptions	Currently not excluded	PABX Systems have now been added to the specific exceptions. All PABX systems must be specified under the electronic equipment section of the policy.
Locks and Keys	In addition to the limit of indemnity stated in the schedule, the company will indemnify the insured in respect of the cost of replacing locks and keys to any insured office premises following upon the disappearance of any key to such premises or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that (i) the company's liability shall not exceed R1 000 in respect of any one event (ii) the company shall not be liable for the first R100 of each and every event.	Wording amended as follows: The limit has been increased and proximity cards have been included. In addition to the limit of indemnity stated in the schedule, the company will indemnify the insured in respect of the cost of replacing locks, keys and access <u>proximity</u> cards to any insured office premises following upon the disappearance of any key and/or access proximity card to such premises or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or a cloned access <u>proximity</u> card provided that (i) the company's liability shall not exceed <u>R5 000</u> in respect of any one event (ii) the company shall not be liable for the first R100 of each and every event.



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<b>Office Contents</b>		
Temporary repairs and measures after loss clause	The insurance under this section is extended to include all reasonable costs and expenses incurred by the insured in effecting such temporary repairs and by taking such temporary measures as may be reasonably necessary after loss of or damage to the insured property by any peril hereby insured against, provided that the liability of the company for such loss or damage and costs and expenses shall not exceed in the aggregate the sum expressed in the schedule to be insured on the property affected.	We have added a maximum limit. The insurance under this section is extended to include all reasonable costs and expenses incurred by the insured in effecting such temporary repairs and by taking such temporary measures as may be reasonably necessary after loss of or damage to the insured property by any peril hereby insured against, provided that the liability of the company for such loss or damage and costs and expenses shall not exceed <u>R10 000</u> in respect of any one event.
<b>Theft</b>		
Extension 3.	(a) the company's liability shall not exceed R2 000 in respect of any one event	Limit increased – (a) the company's liability shall not exceed <u>R5 000</u> in respect of any one event
Burglar Alarm Warranty	<p>In respect of any premises stated in the schedule to be subject to this condition at which a burglar alarm is installed it is a condition precedent to the liability of the company and warranted that</p> <p>(a) the burglar alarm installed at the premises shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or employee of the insured is on the premises;</p> <p>(b) loss of or damage to the property following the use of the 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 have been obtained by violence or threat of violence to any person or such keys, keypad code or remote control was obtained by theft and it is further warranted that:</p> <p>A. Where the installed alarm is a burglar alarm approved by the company The company will be entitled to request full information of the relevant arming and disarming log after the occurrence of a claim. Or</p> <p>B. Where the installed alarm is not a burglar alarm approved by the company</p>	<p>The wording has changed to the following:</p> <p>In respect of any premises stated in the schedule in which a burglar alarm is installed it is a condition precedent to the liability and warranted that</p> <p>(a) the burglar alarm shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or employee of the insured is on the premises;</p> <p>(b) loss of or damage to the property following the use of the keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the insured is excluded unless such keys, keypad code or remote control have been obtained by violence or threat of violence to any person or such keys, keypad code or remote control was obtained by theft.</p> <p>(c) Where the installed alarm is a burglar alarm approved by the company the company will be entitled to request full information of the relevant arming and disarming log after the occurrence of a claim or</p> <p>(d) Where the installed alarm is not a burglar alarm approved by the company</p> <p>(i) the said alarm is to be a dual monitoring alarm where available (for the</p>



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	<b>Theft</b>	
Burglar Alarm Warranty	<p>2.1 the said alarm is to be a dual monitoring alarm where available (for the purposes of this requirement, dual monitoring shall mean that once the alarm is triggered a signal will be transmitted by two different methods to the control room of the company monitoring the alarm);</p> <p>2.2 if the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available;</p>	<p>purposes of this requirement, dual</p> <p>(ii) monitoring shall mean that once the alarm is triggered a signal will be transmitted by two different methods to the control room of the company monitoring the alarm);</p> <p>(iii) if the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available;</p> <p>(iv) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and after the occurrence of a claim, the company will be entitled to request full information of the relevant log;</p> <p>(v) such alarm will be maintained in proper working order.</p>
<b>Money</b>		
Receptacles and Clothing	"the amount stated in the schedule or R2 000 whichever is the greater".	Limit increased "the amount stated in the schedule or <u>R5 000</u> whichever is the greater."
Locks and Keys	(i) the company's liability shall not exceed R2 000 in respect of any one event	Limit increased - (i) the company's liability shall not exceed <u>R5 000</u> in respect of any one event
Burglar Alarm Warranty	Currently not included	<p>The wording has changed to the following:</p> <p>In respect of any premises stated in the schedule in which a burglar alarm is installed it is a condition precedent to the liability and warranted that</p> <p>(a) the burglar alarm shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or employee of the insured is on the premises;</p> <p>(b) loss of or damage to the property following the use of the keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the insured is</p>

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	Current	New
	<b>Money</b>	
Burglar Alarm Warranty	Currently not included	<p>excluded unless such keys, keypad code or remote control have been obtained by violence or threat of violence to any person or such keys, keypad code or remote control was obtained by theft.</p> <p>(c) Where the installed alarm is a burglar alarm approved by the company the company will be entitled to request full information of the relevant arming and disarming log after the occurrence of a claim or</p> <p>(d) Where the installed alarm is not a burglar alarm approved by the company</p> <p style="padding-left: 20px;">(i) the said alarm is to be a dual monitoring alarm where available (for the purposes of this requirement, dual monitoring shall mean that once the alarm is triggered a signal will be transmitted by two different methods to the control room of the company monitoring the alarm);</p> <p style="padding-left: 20px;">(ii) if the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available;</p> <p style="padding-left: 20px;">(iii) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and after the occurrence of a claim, the company will be entitled to request full information of the relevant log;</p> <p style="padding-left: 20px;">(iv) such alarm will be maintained in proper working order.</p>
	<b>Glass</b>	
Defined Events	4. (ii) for all other costs and expenses provided for by this section and resulting from one occurrence or series of occurrences attributable to one source or original cause — in the aggregate the sum of R2 000.	Limit increased - 4. (ii) for all other costs and expenses provided for by this section and resulting from one occurrence or series of occurrences attributable to one source or original cause — in the aggregate the sum of <u>R5 000</u> .

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<b>Fidelity</b>		
Compulsory First Amount Payable	<p>The amount payable under this section in respect of a defined event involving one employee or any number of employees acting in collusion shall be reduced by:</p> <p>(a) 2% of the aggregate of the sum insured under this section and the declared insurance or R60 000 whichever is the lesser plus</p> <p>(b) a further amount of 10% of the nett amount payable after deduction of the amount specified in (a) above.</p> <p>Both amounts shall be borne in full by the insured and remain uninsured.</p>	<p>First amount payable has been amended - The amount payable under this section in respect of a defined event involving one employee or any number of employees acting in collusion shall be reduced by:</p> <p>10% of claim minimum R5 000.</p>
<b>Goods In Transit</b>		
Debris removal extension	“subject to a limit of R1 000 or the limit stated in the schedule”	Limit increased – “subject to a limit of R5 000 or the limit stated in the schedule”
<b>Business All Risks</b>		
Theft from a locked book	Currently not included	<p>The company shall not be liable for loss or damage caused by theft or attempted theft of equipment from an unattended motor vehicle unless such equipment is placed in a locked boot which shall be locked and the theft or attempted theft is accompanied by forcible and violent entry into the boot. Where such property cannot be secured in a locked boot due to the design of the vehicle it must be concealed in such a manner that it is completely undetectable to the naked eye and the loss or damage to such property shall be accompanied by forcible and violent entry into the vehicle, or the vehicle itself is housed in a securely locked building and entry to such locked vehicle or building is accompanied by forcible and violent entry or exit.</p>
Remote Jamming	Currently not included	<p>If 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</p>

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<b>Business All Risks</b>		
Remote Jamming	Currently not included	or exit requirement for any loss out of the cab or boot of the vehicle. Where there is no proof as stated above the cover will be limited to R10 000 per incident less the excess applicable or whichever the lesser.
Cellular Telephone Blacklisting Requirement	Currently not included	Loss, theft, destruction or damage to any cellular telephone unless the blacklisting reference number as provided by the cellular telephone service provider has been submitted to the company as proof that the cellular telephone has been successfully disabled.
<b>Broad Form Liability/Public Liability</b>		
This entire section as changed, please refer to the wording.	General Public Liability Policy	Broadform wording now applicable.
<b>Stated Benefits and Group Personal Accident</b>		
These two sections have now been combined		
(b) Sight of eye except perception of light	Percentage of compensation - 75%	Percentage of compensation has increased - 100%
(g) Loss of thumb	Percentage of Compensation Both Phalanges – 25% One Phalanx – 10%	Percentage of Compensation has increased Both Phalanges – .30% One Phalanx – 15%
(h) Loss of Index Finger	Percentage of Compensation Three Phalanges – 10% Two Phalanges– 8% One Phalanx – 4%	Percentage of Compensation has increased Three Phalanges – 15% Two Phalanges– 10% One Phalanx – 5%
(j) Loss of Any other Finger	Percentage of Compensation Three Phalanges – 6% Two Phalanges– 4% One Phalanx – 2%	Percentage of Compensation has increased Three Phalanges – 15% Two Phalanges– 10% One Phalanx – 5%
(m) Loss of toes	Percentage of Compensation Great, both Phalanges – 5% Great one Phalanx– 2% Other than great, if more than one toe lost, each – 2%	Percentage of Compensation has increased Great, both Phalanges – 10% Great one Phalanx– 5% Other than great, if more than one toe lost, each – 5%
Memoranda	Currently not included	(iv) if a claim for loss of part of the body is payable under definitions (a) to (k), compensation under definition (l) shall not be payable in respect of the same part of the body, unless the percentage of compensation due under (l) is greater than the percentage of compensation payable under (a) to (k).

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<b>Stated Benefits and Group Personal Accident</b>		
Medical Expenses	Currently not included	*Cover under the medical expenses section of this policy is only applicable to the extent that it is legally permissible and not in breach of the demarcation regulations published relative to section 70 (2A) of the Short Term Insurance Act – Government notice 1582
Repatriation	Currently not included	<p>If there is a valid claim for death or serious accidental bodily injury, the company will also pay the reasonable and necessary expenses incurred in the repatriation of the insured person (or the body of the Insured Person in the event of his death) to his normal place of residence, provided that:</p> <p>(a) the liability of the company in respect of each and every claim shall not exceed R10 000 for any one insured person.</p> <p>(b) if there is a claim for serious accidental bodily injury, the prior consent of the company to repatriate the insured person must be obtained. Such consent will not be unreasonably withheld</p>
Emergency Transportation/Search and Rescue	Currently not included	<p>The company will pay costs and expenses necessarily incurred for:</p> <p>(a) emergency transportation;</p> <p>(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:</p> <p>(i) the company will not be liable if an insured person is found in circumstances which are unlikely to result in accidental bodily injury;</p> <p>(ii) the maximum amount payable by the company will be R20 000 any one insured person for each and every claim.</p>
Hi-jacking, Abduction or Kidnapping	Currently not included	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

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<b>Stated Benefits and Group Personal Accident</b>		
Hi-jacking, Abduction or Kidnapping	Currently not included	<p>continue in force for the duration of such an occurrence, or 12 months from the date of such occurrence, whichever is the lesser period.</p> <p>If Temporary Total Disability is insured, the company will regard the hi-jacking, abduction or kidnapping of an insured person as a claim for Temporary Total Disability, provided that:</p> <ul style="list-style-type: none"> <li>(a) the company's liability is limited to the period of hi-jacking, abduction or kidnapping or eight weeks, whichever is the lesser;</li> <li>(b) no compensation shall be payable if any member of the insured persons immediate family is involved in the hi-jacking, abduction or kidnapping as a principal or accessory.</li> </ul>
Trauma Counselling	Currently not included	<p>The company 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 company for such costs is limited to 5% of the Death Benefit shown in the schedule in respect of any one claim or series of claims from one event.</p>
Mobility	Currently not included	<p>When the company has admitted a claim for permanent disability and if as a direct result of that disability the insured person is permanently dependent on a wheelchair for mobility, the company will, in addition to any amount payable for Permanent Disability, pay for:</p> <ul style="list-style-type: none"> <li>(a) a self-propelled wheelchair;</li> <li>(b) the fitting of wheelchair loading equipment and alterations to the insured person's private residence to facilitate the use of such wheelchair;</li> <li>(c) the modification of the controls to the insured persons motor vehicle;</li> </ul> <p>provided that the liability of the company for such costs resulting from an accident or series of accidents arising from one cause shall not exceed R20 000 for any one insured person.</p>

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	Current	New
<b>Stated Benefits and Group Personal Accident</b>		
Rehabilitation	Currently not included	Where the company have admitted a claim for permanent disability, if 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 company will, in addition to any permanent disability benefit agreed, pay 80% of the retraining costs, plus any costs incurred in adjusting the insured persons workplace, provided that the maximum amount payable by the company in respect of an accident or series of accidents arising from one cause will not exceed R20 000 for any one insured person.
Specific Exceptions	Currently not included	<ul style="list-style-type: none"> <li>(iv) regular naval, military or air force service or operations</li> <li>(v) any professional sports</li> <li>(vi) where accidental death, permanent disability, temporary total disability is as a result of chemical or biological substances unless such chemicals or substances are used for peaceful means.</li> <li>(vii) where accidental death, permanent disability, temporary total disability is as a result of an infectious epidemic</li> </ul>
Limit Any One Person/Conveyance/ Premises/Situations	Currently not included	<p>The company liability in respect of:</p> <ul style="list-style-type: none"> <li>5. death and permanent disability shall not exceed R5 000 000 any one insured person in respect of any one accident or series of accidents arising from one cause;</li> <li>6. compensation for all persons insured under both the Group Personal Accident and the Stated Benefits sections of this policy while travelling in any one conveyance or while at anyone premises or situation may not exceed R10 000 000.</li> </ul>
<b>Motor</b>		
Defined Events	Loss of or damage to any vehicle described in the schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the company will pay the reasonable	Amended the wording as follows: Loss of or damage to any vehicle described in the schedule and its <u>factory fitted accessories and spare parts (and in addition those accessories and spare parts as provided for in memorandum 6</u>



## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
Motor		
Defined Events	<p>cost of protection and removal to the nearest repairers and the insured may give instructions for repairs to be executed without the prior consent of the company to the extent of but not exceeding R5 000, provided that a detailed estimate is first obtained and immediately forwarded to the company. The company will also pay the reasonable cost of delivery to the insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi or Mozambique.</p>	<p><u>below</u> spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the company will pay the reasonable cost of protection and removal to the nearest repairers <u>not exceeding R2 500 (in respect of private type motor vehicles, 4x4 type vehicles and light delivery vehicles) and R5 000 (in respect of vehicles in excess of 3,500kg)</u> and the insured may give instructions for repairs to be executed without the prior consent of the company to the extent of but not exceeding R5 000, provided that a detailed estimate is first obtained and immediately forwarded to the company. The company will also pay the reasonable cost of delivery to the insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi or Mozambique.</p>
Exceptions to Sub Section A	<p>(b) damage to tyres by application of brakes or by road punctures, cuts or bursts</p> <p>(c) damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities</p>	<p>Amended the wording as follows:</p> <p>(b) damage to tyres <u>and rims</u> by application of brakes, by road punctures and <u>pot holes</u>, cuts or bursts <u>unless some other part of the vehicle is damaged at the same time.</u></p> <p>(c) damage to springs/shock absorbers due to inequalities of the road, <u>pot holes</u> or other surface or to impact with such inequalities <u>other than as specifically provided herein;</u></p> <p>(d) <u>any loss or damage where the vehicle has been stolen by another party under false pretences and trickery.</u></p>
Medical Expenses	Currently not included	<p>*Cover under the medical expenses section of this policy is only applicable to the extent that it is legally permissible and not in breach of the demarcation regulations published relative to section 70 (2A)</p>

## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Motor</b>		
Medical Expenses	Currently not included	of the Short Term Insurance Act – Government notice 1582
Definitions  2. Vehicle	<p>The term vehicle shall mean</p> <ul style="list-style-type: none"> <li>(a) private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 12 persons including the driver)</li> <li>(b) commercial vehicles and special type vehicles as described in the schedule</li> <li>(c) motor cycles (including motor scooters and 3-wheeled vehicles)</li> <li>(d) buses (including any vehicle used for business purposes and designed to seat more than 12 persons, including the driver)</li> <li>(e) trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto</li> </ul> <p>any such vehicle being owned by or hired or leased to the insured, including any such vehicle temporarily operated by the insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the insurer's maximum liability shall not exceed the lesser of the retail value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the schedule.</p>	<p>Wording amended as follows:</p> <p>The term vehicle shall mean</p> <ul style="list-style-type: none"> <li>(a) private type motor cars (including station wagons, 4x4's, safari vans, estate cars, kombis, mini buses and the like or similar vehicles designed to seat not more than 12 persons including the driver)</li> <li>(b) Light delivery vehicles and special type vehicles as described in the schedule not exceeding 3500kg</li> <li>(c) commercial, heavy commercial vehicles (exceeding 3500kg) and special type vehicles as described in the schedule.</li> <li>(d) motor cycles (including motor scooters, quad bikes and 3-wheeled vehicles)</li> <li>(e) buses (including any vehicle used for business purposes and designed to seat more than 12 persons, including the driver)</li> <li>(f) trailers and caravans, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto</li> </ul> <p>any such vehicle being owned by or hired or leased to the insured, including any such vehicle temporarily operated by the insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the insurer's maximum liability shall not exceed the lesser of the retail value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the schedule.</p>
Extensions  7. Principals	Notwithstanding specific exception 2 of this section, the indemnity under sub-section B extends to indemnify, to the extent required by the conditions of any contract of the Building Industries Federation of	Wording amended to: 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 engineering and

## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Motor</b>		
Extensions  7. Principals	South Africa, and in connection with any liability arising from the performance of such contract, any principal named in such contract entered into by the insured for the purposes of the business, provided that the liability of the company shall not exceed the limit of indemnity stated in the schedule.	<u>construction contracts (such as the International Federation of Consulting Engineers, Joint Buildings Contracts Committee, New Engineering Contract, Government Certificate of Competency)</u> , and in connection with any liability arising from the performance of such contract, any principal named in such contract entered into by the insured for the purposes of the business, provided that the liability of the company shall not exceed the limit of indemnity stated in the schedule.
Extensions 13. Credit Shortfall Extension (if stated in the schedule to be included)	If any total loss settlement under sub-section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the company will pay to the insured an additional amount equal to the shortfall less: <ul style="list-style-type: none"> <li>(a) any arrears instalments or rentals including interest payable on such arrears</li> <li>(b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle</li> <li>(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</li> <li>(c) the first amount payable under sub-section</li> </ul> provided always that <ul style="list-style-type: none"> <li>(a) the amounts payable shall not exceed the maximum indemnity less the first amount payable under sub-section A</li> <li>(b) this endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% from any other instalment</li> </ul>	Policy wording amended as follows: <p>If any total loss settlement under sub-section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the company will pay to the insured an additional amount equal to the shortfall less:</p> <ul style="list-style-type: none"> <li>(a) any arrear instalments or rentals including interest payable on such arrears</li> <li>(b) 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</li> <li>(c) the first amount payable under sub-section</li> </ul> provided always that <ul style="list-style-type: none"> <li>(i) the amounts payable shall not exceed the maximum indemnity less the first amount payable under sub-section A</li> <li>(ii) 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.</li> </ul>

## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Motor</b>		
Extensions 13. Credit Shortfall Extension (if stated in the schedule to be included)	(c) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this extension shall be void.	
Memoranda 5. Tracking Devices	(a) Private type and Light Delivery Vehicles with a sum insured of R350 000 (including value added tax) and greater must be fitted with a vehicle tracking device approved by the Company at the inception of the policy or as otherwise agreed to in writing by the Company before theft or hijacking cover is effective.  (b) The onus is on the insured to ensure that the service agreement with any such tracking company is maintained at all times and that in the event for any reason the insured; <ul style="list-style-type: none"> <li>(i) cancels its service agreement</li> <li>(ii) fail to pay any subscription due under that agreement</li> <li>(iii) fail to ensure that the vehicle is linked up to the tracking service and that the vehicle tracking unit is operational and armed at all times</li> </ul> Then the Company shall not be liable in respect of loss or damage arising out of theft or hijacking.	The tracking requirement limit has been increased and the wording amended as follows: <ul style="list-style-type: none"> <li>(a) All Vehicles with a sum insured of <u>R400 000</u> (including value added tax) and greater must be fitted with an early warning tracking and recovery system which must be kept in working order. Should the vehicle not be fitted with an operational early warning tracking device at the time of the loss, an additional first amount payable of 10% will apply.</li> <li>(b) The company reserves the right to request a tracking device to be fitted to certain makes of vehicles regardless of the sum insured. Where the company has requested that a tracking device be fitted and the insured does not comply the company shall not be liable in respect of any loss or damage resulting out of theft or hijacking</li> <li>(c) The onus is on the insured to ensure that the service agreement with any such tracking company is maintained at all times and that in the event for any reason the insured;                             <ul style="list-style-type: none"> <li>(i) cancels its service agreement</li> <li>(ii) fails to pay any subscription due under that agreement</li> <li>(iii) fails to ensure that the vehicle is linked up to the tracking service and that the vehicle tracking unit is operational and armed at all times</li> </ul>                             Then the insured will be required to pay an additional first amount payable of 5% of claim.                         </li> </ul>
Memoranda 6. Accessories and Extras	Currently not included	The company shall not be liable in respect of loss or damage to any non-factory fitted and after-market accessory and/or extra which has not been specifically noted in the policy schedule to be included.

## LOMBARD COMMERCIAL WORDING SYNOPSIS

	<b>Current</b>	<b>New</b>
<b>Motor</b>		
Memoranda Accessories and Extras	Currently not included	The sum insured noted in the schedule must make provision for the non-factory fitted accessories and extras
Vehicle Towing and Storage (Private Type Motor Vehicles, 4x4 Type Vehicles and Light Delivery Vehicles)	Currently not included	In respect of private type motor vehicles, 4x4 type vehicles and light delivery vehicles comprehensively insured the words 'the company will pay the reasonable cost of protection and removal to the nearest repairers' are deleted from the Defined events under sub-section A Loss or damage of this section and replaced by the Assistance Service Programmes section of this Policy. If such vehicle is disabled by reasons of any loss or damage insured hereby and the assistance program is not utilised, the company will pay the reasonable cost of protection and removal to the nearest repairers without the prior consent of the company to the extent of but not exceeding R2 500. Any amount exceeding R2 500 will be for the insureds' own account.
Constructive total loss	Currently not included	A constructive total loss shall mean that the cost for repair of an insured vehicle is more than 70% of the retail value of that vehicle.
Specific Condition 2	Currently not included	All benefits under this policy shall be forfeited if any vehicle, at the time of any accident giving rise to a claim in terms of this policy, is found not to be in possession of a valid Roadworthy Certificate and/or Operator's Card, or any driver is not in possession of a valid Public Roads Driving Permit in terms of the requirements of the Road Traffic Act of 1989 or any replacement thereof.
Specific Condition 3	Currently not included	It is warranted that any vehicle(s) in connection with which insurance is granted under this policy, or any part thereof or any trailer and caravan attached thereto or forming part of a train of trailers drawn thereby or any part of such trailer or trailers (all of which are here referred to as the "insured vehicle") complies in all respects with the requirements of roadworthiness as set out in the Road Traffic Act of 1989, or any provincial or local proclamation or statute which is applicable to the insured vehicle, failing which no benefit shall be payable under this

## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Motor</b>		
Specific Condition 3	Currently not included	policy, whether or not the vehicle's lack of roadworthiness was a cause or contributed to the occurrence giving rise to such a claim.
Repatriation Clause	<p>The policy covers vehicles in terms of the territorial limits whilst vehicles are travelling outside the borders of South Africa subject to the following exclusions:</p> <ul style="list-style-type: none"> <li>a) Recovery and towing to South African border</li> <li>b) Any parts stripped from the vehicle whilst left unguarded at the scene of any accident or whilst in transit back to South Africa</li> <li>c) Sub section B – Liability to Third Parties</li> <li>d) All and any government imposed duties, customs, charges or stamps</li> </ul> <p>If following an accident the insured vehicle is not returned to South Africa and it is declared by the company to be constructive total loss outside South Africa then:</p> <ul style="list-style-type: none"> <li>(i) The company will settle the claim for the estimated cost of repairs or the lesser of the retail value preceding the loss and the sum insured less:                             <ul style="list-style-type: none"> <li>a) The first amount payable</li> <li>b) The value of salvage calculated on what would have been realized in South Africa if the vehicle had been recovered</li> </ul> </li> <li>c) On payment of the amount under (i) above the salvage will belong to the insured</li> </ul>	<p>The wording has amended as follows:</p> <p>The company will indemnify the insured in terms of Sub-section A of this section of the policy whilst vehicles are travelling outside the borders of South Africa subject to the following exclusions:</p> <ul style="list-style-type: none"> <li>(a) the costs of recovery and towing to the South African border</li> <li>(b) the costs of any parts stripped from the vehicle whilst left unguarded at the scene of any accident outside either the borders of South Africa or whilst in transit in South Africa.</li> <li>(c) Sub-section B – Liability to Third Parties</li> <li>(d) All and any government imposed duties, customs, charges or stamps</li> </ul> <p>If following an accident the insured vehicle is not returned to South Africa and it is declared by the company to be constructive total loss outside South Africa then:</p> <ul style="list-style-type: none"> <li>(a) The company will settle the claim for the estimated cost of repairs or the retail value preceding the loss and the sum insured less:                             <ul style="list-style-type: none"> <li>(i) The first amount payable</li> <li>(ii) The value of salvage calculated on what would have been released in South Africa if the vehicle had been recovered</li> </ul> </li> <li>(iii) On payment of the amount under (a) (ii) above the salvage will belong to the insured</li> </ul>
<b>Electronic Equipment</b>		
Sub-section A : Material damage Defined Events	(c) temporarily removed from that part of the building occupied by the insured at the insured premises described in the schedule to any other building.	Wording amended as follows: (c) temporarily removed from that part of the building occupied by the insured at the insured premises described in the schedule to any other building within the Republic of South Africa, Namibia, Botswana,



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	Current	New
<b>Electronic Equipment</b>		
Sub-section A : Material damage Defined Events		Lesotho, Swaziland, Zimbabwe and Malawi;  (d) temporarily anywhere in the world only in respect of laptops, notebooks and tablets.
Exceptions to sub-section A	2. derangement unless accompanied by physical damage otherwise covered by this section	Wording amended as follows:  2. derangement unless accompanied by physical damage otherwise covered by this section and any damage arising out of the testing or commissioning of the property.
Exceptions to sub-section A	9. (a) loss by theft or by disappearance of the property insured, other than portable electronic equipment, 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.	9. (a) loss by theft or by disappearance of the property insured, unless accompanied by forcible and violent entry into or exit (or any attempt thereat) from that part of the building occupied by the insured at the insured premises described in the schedule or as a result of theft or any attempt thereat, following violence or threat of violence. <u>This exclusion shall not apply to portable electronic equipment individually specified in the schedule of this section.</u>
Theft from Locked Boot	Currently not included	The company shall not be liable for loss or damage caused by theft or attempted theft of equipment from an unattended motor vehicle unless such equipment is placed in a locked boot which shall be locked, and the theft or attempted theft is accompanied by forcible and violent entry into the boot. Where such property cannot be secured in a locked boot due to the design of the vehicle it must be concealed in such a manner that it is completely undetectable to the naked eye and the loss or damage to such property shall be accompanied by forcible and violent entry into the vehicle, or the vehicle itself is housed in a securely locked building and entry to such locked vehicle or building is accompanied by forcible and violent entry or exit.
Remote Jamming	Currently not included	If the Insured can demonstrate through video surveillance footage (or any other conclusive proof) that.



## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Electronic Equipment</b>		
Remote Jamming	Currently not included	<p>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.</p> <p>Where there is no proof as stated above the cover will be limited to R10 000 per incident less the excess applicable or whichever the lesser.</p>
<b>Motor Traders/Internal and External</b>		
This entire section as changed, please refer to the wording.	Motor Traders Internal and Motor Traders External	Motor Traders
<b>Machinery Breakdown</b>		
Defined Events	<p>Unforeseen and sudden fortuitous physical damage to the insured property (or any part thereof) whilst on the premises from any cause not specifically excluded whilst at work or at rest or being dismantled for the purpose of cleaning, inspection, repair, overhaul or removal to another position within the premises or in the course of these operations and subsequent re-erection by, but not restricted to, defects in casting, defects in material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit or from any other cause not specifically excluded in terms of any exception that is applicable to this policy as a whole or this section in particular that necessitates repair or replacement of the insured property.</p> <p>Provided always that this insurance shall only apply to the insured property after successful completion of their performance acceptance tests whether they are at work or rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of the aforesaid operations themselves, or when being shifted within the premises, or during subsequent re-erection.</p>	<p>Wording amended as follows:</p> <p>Any unforeseen and sudden physical damage to the machinery described in the schedule from any cause within the insureds premises whilst it is :</p> <ol style="list-style-type: none"> <li>1. at work or at rest</li> <li>2. being dismantled for the purpose of cleaning inspection and overhaul or removal to another position or in the course of these operations themselves or subsequent re-erection.</li> </ol>

## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Machinery Breakdown</b>		
Specific Exceptions	<p>The company shall not be liable for:</p> <ol style="list-style-type: none"> <li>1. the first amount payable 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 first amount payable applicable to such items;</li> <li>2. 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);</li> <li>3. 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;</li> <li>4. loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;</li> <li>5. 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 company or not;</li> </ol>	<p>Wording amended as follows:</p> <p>The company shall not be liable for:</p> <ol style="list-style-type: none"> <li>1. the first amount payable in respect of each and every occurrence.</li> <li>2. loss or damage due to fire, lightning, explosion, extinguishing of a fire, direct lightning strikes and explosion.</li> <li>3. theft or attempts thereat, collapse of buildings, impact by animals, vehicles, aircraft, other aerial devices dropped therefrom including sonic shock waves.</li> <li>4. water which escapes from water containing apparatus including leakage or discharge from any sprinkler or drencher system;</li> <li>5. subsidence and landscape, wind, storm, flood, hail, snow, earthquake, avalanche, cyclone, hurricane, volcanic eruption or other convulsions of nature or any other or similar natural catastrophes</li> <li>6. loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;</li> <li>7. temporary repairs and any consequences resulting therefrom;</li> <li>8. wastage of material or the like or wearing away or wearing out of any part of the machinery caused by or naturally resulting from ordinary usage or working or other gradual deterioration;</li> <li>9. expendable parts and tools such as (but not limited to) bits, cutters, knives, saw, blades, dies, pattern rollers, sieves, chains, belts, ropes, conveyor bands, jointing and packing material. If these parts or tools are damaged as a result of an accident to other parts of the machinery insured as provided for by this insurance the Company shall indemnify the Insured for the residual value of such parts or tools;</li> </ol>

## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Machinery Breakdown</b>		
Specific Exceptions	<p>6. 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);</p> <p>7. consequential loss or liability of any kind or description;</p> <p>8. damage resulting from the misapplication of tools or from experiment, overhauls or tests requiring the imposition of abnormal conditions.</p>	<p>10. 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 company or not;</p> <p>11. charges such as express delivery and overtime, Sunday and holiday rates of wages</p> <p>12. 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);</p> <p>13. consequential loss or liability of any kind or description;</p> <p>14. damage resulting from the misapplication of tools or from experiment, overhauls or tests requiring the imposition of abnormal conditions.</p> <p>15. the value of damaged parts which can be used in any way whatsoever.</p> <p>16. Any costs related to the repairing or replacing of any foundations, masonry or refractories</p>
Basis of Indemnity	<p>1. Partial loss</p> <p style="padding-left: 20px;">Where damage to the insured property can be repaired the company 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</p> <p>2. Total loss</p> <p style="padding-left: 20px;">(a) If equipment not exceeding 3 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</p>	<p>Wording amended as follows:</p> <p>The amount payable by the company will be by determined by :</p> <p>1. Sum insured</p> <p style="padding-left: 20px;">The sum insured noted in the policy must always represent the replacement value including freight dues, custom duties and erection costs.</p> <p>2. Partial damage</p> <p style="padding-left: 20px;">Where the machinery can be repaired the company will pay the reasonable cost of restoration to working order based on the customary rates of wages in the district and normal freight and erection costs and custom duties.</p>

# LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Machinery Breakdown</b>		
Basis of Indemnity	<p>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 (a), (b) and (c).</p> <p>(b) If equipment exceeding 3 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 (a), (b), (c), (d) and (e).</p> <p>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.</p> <p>Provided that:</p> <p>(a) the cost of any alterations, additions, improvements or overhauls carried out at the time of repair shall not be recoverable;</p> <p>(b) the cost of any provisional repairs shall be borne by the company if such repairs constitute part of the final repairs and do not increase the total cost of repairs</p> <p>(c) the company 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;</p> <p>(d) the work of replacement or reinstatement (which may be carried out at other premises and in any manner suitable to the requirements of the</p>	<p>3. Total Loss</p> <p>If the insured item is destroyed the company will pay the new replacement value of the item immediately before the accident and the cost of removing the damaged machinery less the value of the remains. The insured item shall be regarded as totally destroyed if the repair costs as defined in 1 above equal to or exceeds its market value immediately before the accident.</p> <p>4. Replace, repair or reinstate</p> <p>The company may at its own option repair, reinstate or replace any damaged machinery or pay the amount in the damage in cash.</p> <p>5. Sum insured and average</p> <p>Where the sum insured at the time of the loss is less than the new replacement value including the freight dues, custom duties and erection costs the insured will be considered to be their own insurer for the difference and will also bear a rateable portion of the loss. Every item of machinery will be separately subject to average</p>

## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Machinery Breakdown</b>		
Basis of Indemnity	<p>Insured subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made;</p> <p>(e) in either event (1) or (2) the amount claimable shall not exceed the amount specified in the Machinery Insurance Schedule.</p> <p>Sum insured and average It is a requirement of this section that the sum insured is equal to the cost of replacement of the insured property by new property of the same kind and capacity, which means its cost of replacement including freight, dues and customs duties, if any, and cost of erection. If the sum insured is less than the amount required to be insured, the company shall pay only in such proportion as the sum insured bears to the amount required to be insured. Every item (if more than one) shall be separately subject to the foregoing stipulation.</p>	
Specific Conditions	<p>1. 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 company.</p> <p>2. 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 company.</p> <p>The premium, terms and conditions shall thereupon be subject to adjustment accordingly.</p> <p>Any claim in respect of loss or damage that may arise before such notice is given shall be handled in accordance with the</p>	<p>Alterations to working conditions</p> <p>Notice of any intended alteration to or departure from normal working conditions which would affect the risk of damage to the machinery specified in the schedule must be given to the company. If the company cannot approve the alteration or departure from normal working conditions the company may cancel the insurance in respect of the machinery concerned making an appropriate return of premium.</p> <p>Access</p> <p>The insured shall allow the authorised representatives of the company to examine the insured machinery at any reasonable time. If during the inspection any new facts</p>

## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Machinery Breakdown</b>		
Specific Conditions	<p>company's normal conditions, exceptions and first amount payable 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.</p> <p>3. (a) On the happening of any damage the insured shall in addition to complying with general condition 6 of this policy</p> <p style="padding-left: 20px;">(a) take all reasonable steps to minimise the extent of such damage;</p> <p style="padding-left: 20px;">(b) preserve any damaged or defective parts for inspection by the company.</p> <p style="padding-left: 20px;">(b) On notification being given to the company in terms of general condition 6 of this policy the insured may carry out the repairs or replacement of any minor damage; in all other cases a representative of the company shall have the opportunity of inspecting the loss or damage before any repairs or replacements or alterations are effected. If a representative of the company 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.</p> <p style="padding-left: 20px;">(c) The liability of the company 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 company, or if temporary repairs (other than in terms of 3(b) above) are carried out</p> <p>4. The insured shall, in addition to complying with general condition 5 of this policy</p>	<p>of a nature likely to render the risk more than usually hazardous are observed the insured must at the request of the company restore the risk to normal within a reasonable time failing which the company may suspend cover in whole or in part until the risk is restored to normal.</p> <p style="padding-left: 20px;">Maintenance of Machinery</p> <p>All equipment insured under this section is subject to regular and adequate maintenance processes undertaken by qualified members on the insured's staff or in terms of a maintenance contract with specialists.</p> <p style="padding-left: 20px;">Claims</p> <p>On the happening of an event giving rise or likely to give rise to a claim the insured</p> <p style="padding-left: 20px;">(a) shall exercise all means in their power to salvage the insured items and ensure their preservation</p> <p style="padding-left: 20px;">(b) may proceed with the repair of the machinery provided that</p> <p style="padding-left: 40px;">(i) they comply with (a) above</p> <p style="padding-left: 40px;">(ii) the carrying out of the repair is without prejudice to any question of liability</p> <p style="padding-left: 40px;">(iii) any damaged part requiring replacement is kept for inspection by the company</p> <p style="padding-left: 20px;">(c) take all reasonable steps to minimise the extent of such damage;</p> <p style="padding-left: 20px;">(d) 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, fully observe the manufacturer's/agent's instructions for the operation, inspection and maintenance of the insured property and fully observe government regulations, statutory regulations, municipal</p>



## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Machinery Breakdown</b>		
Specific Conditions	<p>(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;</p> <p>(b) fully observe the manufacturer's/agent's instructions for the operation, inspection and maintenance of the insured property and fully observe government regulations, statutory regulations, municipal regulations and all other binding regulations in force concerning the operation and maintenance of the insured property.</p>	<p>regulations and all other binding regulations in force concerning the operation and maintenance of the insured property</p> <p>Reinstatement of sum insured</p> <p>In the event of the payment by the company of any sum or sums in discharge of the company's liability in the terms of this insurance the sum insured shall automatically be reinstated for the remainder of the current period of insurance provided that the insured shall pay any additional premium required by the company calculated pro rata from the date the repaired item is again put to work.</p> <p>Automatic reinstatement shall be limited to one reinstatement per annual insurance period.</p>
<b>Machinery Breakdown</b>		
This entire section as changed, please refer to the wording.	Machinery Breakdown – Loss of Profits	Machinery Breakdown - Business Interruption
<b>Deterioration of Stock</b>		
Specific Exceptions	<p>The company shall not be liable for:</p> <p>1. loss arising within the no-claim period stated in the schedule of goods stored in the refrigeration chambers due to deviation from the prescribed refrigeration temperature, unless deterioration is caused by contamination as a result of leakage of refrigerant or by accidental freezing of goods or unless fresh goods that have not yet reached the prescribed refrigeration temperature are affected thereby; no-claim period is defined as the time period immediately following; cessation of cooling during which, with the storage room left sealed, no deterioration would take place</p>	<p>Wording amended as follows:</p> <p>1. loss arising within the <u>time period</u> stated in the schedule of goods stored in the refrigeration chambers due to deviation from the prescribed refrigeration temperature, unless deterioration is caused by contamination as a result of leakage of refrigerant or by accidental freezing of goods or unless fresh goods that have not yet reached the prescribed refrigeration temperature are affected thereby;</p> <p><u>Time period</u> is defined as the time period immediately following cessation of cooling during which, with the storage room left sealed, no deterioration would take place;</p>
<b>Houseowners</b>		
Specific Conditions	<p>Reinstatement value conditions</p> <p>In the event of the property being damaged, the basis upon which indemnity is calculated is the cost to</p>	<p>Wording amended as follows:</p> <p>Replacement value and average</p>



## LOMBARD COMMERCIAL WORDING SYNOPSIS

	Current	New
<b>Houseowners</b>		
Specific Conditions	replace the lost or damaged property or part thereof with similar new property, limited to the sum insured stated in the schedule.	In the event of loss of or damage to the insured property by any of the perils insured against under this section, the basis upon which indemnity is to be calculated shall be the cost of replacing the lost or damaged property or part of it with similar new property, limited to the sum insured as stated in the schedule.
<b>Personal All Risks</b>		
Specific Exceptions	<p style="margin: 0;"><b>Inspection of Jewellery</b></p> <p style="margin: 0;">Where any single item of jewellery exceeds R20 000 (Twenty Thousand Rand) in value it is a condition that the precious stoned settings and necklace/bracelet clasps are inspected by a qualified jeweller every two years and that any defects are remedied. Proof of such inspection having been made within the two-year period prior to the date of loss or damage will be required from you. Failing to comply with this condition will result in the rejection of any claims for such items.</p>	<p style="margin: 0;">Wording amended as follows:</p> <p style="margin: 0;"><b>Inspection of Jewellery</b></p> <p style="margin: 0;">Where any single item of jewellery exceeds R20 000 (Twenty Thousand Rand) in value it is a condition that the precious stoned settings and necklace/bracelet clasps are inspected by a qualified jeweller every two years and that any defects are remedied. Proof of such inspection having been made within the two-year period prior to the date of loss or damage will be required from the insured. Failing to comply with this condition will result in the rejection of any claims for such items. <u>Any item of jewellery in excess of R20 000 must be kept in a safe when not worn, failing to comply with this condition will result in the rejection of any claims for such item.</u></p>