



**LYNX**

*Transport Underwriting Managers (Pty) Ltd*

**HEAVY COMMERCIAL VEHICLE  
AND  
GOODS IN TRANSIT  
POLICY**

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## A. GENERAL

### PREAMBLE

1. The Insurer will indemnify or compensate the Insured:
  - a. If the premium is paid in accordance with the Premium Payment Warranty clause;
  - b. In respect of the Defined Events occurring during the Period of Insurance;
  - c. At the option of the Insurer by replacement, reinstatement or repair;
  - d. Up to the Sums Insured, Limits of Indemnity and other amounts stipulated on the Schedule (which are inclusive of VAT), less any Excess payable by the Insured.
2. The cover afforded by this Policy is based on the information contained in the Application Form as supplied and all other information provided by the Insured to the Insurer and such information is incorporated herein.
3. Misrepresentation, misdescription and non-disclosure:
  - a. Making a false statement or withholding any material fact may give the Insurer the right to repudiate any claim and/or may result in the item, section or Policy being declared null and void, as the case may be;
  - b. A material fact is any fact that influences the acceptance of the risk.
4. Privacy Waiver:

The Insured waives any right to privacy of insurance and claims information and consents to disclosure of such information to relevant parties in the interest of the insurance industry.

### DEFINITIONS

The following words will have the meaning set out below wherever they appear in the Policy:

**1. The Insurer / Underwriting Managers / We / Our / Us;**

- a. The Insurer is GENRIC Insurance Company Limited (Reg. No. 2005/037828/06) who has duly appointed and authorised the Underwriting Manager to issue the Policy, negotiate the premiums and settle the claims;
- b. The Underwriting Manager is Lynx Transport Underwriting Managers (Pty) Ltd (Reg. No. 1992/006910/07);
- c. All administration in terms of this Policy is performed by the Underwriting Manager;
- d. Collectively the Insurer and the Underwriting Manager are called the Insurer / We / Our / Us as the case may be.

**2. The Insured / Policyholder / You / Your**

The Policyholder is the Insured named in the Schedule and is referred to as the Insured / You / Your.

**3. Intermediary**

Refers to your authorised financial services provider (broker) who introduced you to and arranged for the issuing of this Policy.

**4. Schedule**

The document(s) attaching hereto and forming an integral part hereof showing the details of the Insured and stating inter alia the applicable sections of cover, the maximum benefits, conditions, exceptions, endorsements, Excess payable and cover provided.

## **5. Period of Insurance**

Means the period of time specified in the Schedule unless the Policy is cancelled in which event the Period of Insurance will end on the effective date of the cancellation.

### **Monthly Policy**

Cover is in force from the Inception Date of the Policy to the last day of that month and monthly thereafter for every subsequent month for which premium has been received;

### **Annual Policy:**

Cover is in force from the Inception Date of the Policy for a year until the annual Renewal Date of the Policy;

### **Quarterly / Bi-Annual Policy:**

Cover is in force from the Inception date of the Policy until the relevant quarterly / bi-annual Renewal Date of the Policy;

### **Short Period Policy:**

Cover is in force from the Inception date to the Cancellation date and premium is payable at Inception Date of the Policy.

## **6. Anniversary/Renewal/Revision Date**

Twelve (12) calendar months after the inception date of this Policy.

## **7. Excess**

An excess is the part of a claim you must contribute and is payable for each and every claim covered by this policy and stipulated in the schedule. In the event of legal representation and/or legal advice required as a result of an incident covered in terms of this policy the minimum amount stipulated in respect of the Third Party excess will be payable prior to the Insurers liability for same. In the event of a court order in favour of an insured, finding that the insured was not negligent in respect of an incident or event then the excess will be refunded to the insured.

## **8. Hire Purchase or Lease Agreement**

Where the vehicle is treated as a total loss following a claim under the Policy and there is an outstanding amount due under any suspensive sale or similar agreement, payment will be made in the first instance to the financial institution involved. Thereafter, any residual amount is payable to the Insured. Should a shortfall exist between the settlement by the insurer and the settlement balance due to the finance house, the insured will be liable for the payment of this shortfall.

## **9. Settlement Balance**

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 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.

## **10. Territorial Limits**

Republic of South Africa, Botswana, Namibia, Swaziland, Zimbabwe, Mozambique, Zambia, Lesotho, Malawi, DRC (No further north than Kolwezi) and Angola.

## **11. Occurrence**

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. Date of loss**

The date on which the incident which is the subject of a claim occurred.

### 13. Hijacking

Theft of the vehicle or goods conveyed by the vehicle, by means of violence or threat of violence against the person(s) who, at the time of such theft, are in actual lawful control of the vehicle or the conveying vehicle carrying the goods.

### 14. Vehicle

“Vehicle” means any vehicle as defined below and described on the Schedule:

- a. Private Motor Vehicles – Station wagons, safari cars, estate cars, sedans, multi-purpose vehicles, or similar vehicles designed to seat not more than 12 (twelve) persons including the driver;
- b. Light Delivery Vehicle – A commercial vehicle not exceeding 3 500kg GVM;
- c. Heavy Commercial Vehicles – A goods carrying vehicle exceeding 3,500kg (three thousand five hundred) GVM;
- d. Special Types – Graders, bulldozers, tractors, front-end loaders and back actors, road sprayers, road sweepers, tower wagons, compressors, road maintainers, dumpers, excavators and any other form of self-propelled vehicle with plant permanently attached for Road Risk Only;
- e. Motorcycles – including motor scooters and 3-wheeled vehicles;
- f. Trailers – 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;
- g. Caravans.

### 15. Total Loss

An insured vehicle will be deemed a total loss when:

- a. The vehicle is stolen / hi-jacked and not recovered;
- b. The vehicle is damaged beyond economical repair as determined by a duly qualified expert;
- c. The vehicle is damaged beyond repair.

### 16. Basis of Valuation / Limit of Indemnity / Sum Insured

The basis of valuation in the event of a total loss will be as stipulated on the Schedule, as defined hereunder:

#### a. Retail Value

- i. The recommended retail price of the vehicle as reflected in the TransUnion Auto information “Auto Dealer’s Guide” or “Commercial Vehicle Dealer’s Guide” for the specific make and model current at the time of loss or the sum insured as stated in the Schedule, whichever is the lesser;
- ii. The maximum indemnity shall not exceed the Sum Insured as stated in the Schedule;
- iii. Where the particular make and model of the vehicle is not given in the guide, then the average value decided by three independent motor industry sources of the Insurer’s choice will be used as the retail value of the vehicle;
- iv. The retail value of the vehicle will be adjusted according to its kilometre reading and condition and accessories and spare parts always subject to the sum insured as stated;
- v. The onus of proof of the value of the vehicle and all its accessories and spare parts rests on the Insured and it is the Insured’s responsibility to ensure that the Sum Insured is adequate;
- vi. Special Types – The reasonable value as determined and agreed by a recognised supplier.

#### b. Agreed Value

The term agreed value shall mean the vehicle retail value current at the time of loss plus a percentage increase as agreed with the insured at inception and shown in the schedule, subject to a certificate of valuation as might be required by the Company.

#### c. Market Value

The market value of a vehicle will be determined with reference to the information contained in the TransUnion Auto publications as referred to previously, and will be deemed to be the average between the Retail Value and the Trade Value current at the time of loss (with the suitable adjustments made for the odometer reading and condition and accessories) of the vehicle.

## **17. Basis of Cover**

The basis of cover will be as stated in the Schedule and will be defined as follows:

### **a. Comprehensive Cover (if stated in the policy schedule)**

Loss of or damage to any vehicle described in the Schedule, including its accessories and spare parts whilst thereon, audio communication equipment, fleet management and tracking systems all if permanently fitted to the vehicle. In addition, any third party liability as described in Sub-Section II will be included in this cover.

### **b. Third Party, Fire and Theft (if stated in the policy schedule)**

The liability of the company is restricted solely to loss of or damage resulting from fire, self-ignition lightning or explosion or by theft or any attempt thereat and Third Party costs and expenses which you may become legally liable to pay as a result of an accident resulting in death, injury or damage to property belonging to a third party caused by, through or in connection with vehicle specified in the schedule.

### **c. Third Party Only (if stated in the policy schedule)**

Cover is restricted to third party costs which you may become legally liable to pay as a result of an accident, resulting in death injury or damage to property belonging to a third party caused by, through or in connection with the vehicle specified in the schedule.

### **d. Fire and Theft (if stated in the policy schedule)**

The liability of the company is restricted solely to loss of or damage resulting from fire, self-ignition lightning or explosion or by theft or any attempt thereat.

## **18. Spare parts and accessories**

Spare parts and accessories fitted or installed to upgrade or improve your vehicle specifications which are not standard or optional equipment on a specified model.

## **19. Confiscation**

Seizure of private property by any lawfully constituted authority without compensation to the owner, usually as a consequence of the owner being convicted of a crime.

## **20. Abandoned**

Deserted, discarded, forsaken, derelict, vacant, dumped and/or cast-off.

## **21. Insurable Interest**

You may only insure property in which you have an insurable interest. You only have insurable interest in an item if the item is stolen or damaged and as a result you suffer a direct financial loss.

## **22. Goods in Transit**

Loss or damage to the whole or part of the property whilst carried in or on any vehicle described in the Schedule owned by the insured or for which they are responsible.

## **23. Cargo Owner**

The party who has ownership of the cargo.

## **24. Conveyance**

Any mechanically propelled vehicle and its trailers, where attached, as owned and operated by appointed subcontractors of the insured or their sub-contractors where agreed.

## **25. Cargo**

All cargo not otherwise excluded, including packaging materials, pallets, receptacles, covers, boxes and / or labels.

**26. SASRIA**

SASRIA Limited, Registration Number 1979/000287/06, our designated supplier of special risks insurance within the Republic of South Africa.

**27. Policy**

The Policy shall be deemed to consist of the proposal / application form, the Schedule, this agreement and any endorsements issued for this Policy.

**28. Warranty**

Where the word warranty appears in the Policy, it is deemed to have meaning as implied in an insurance contract. Any breach of any warranty will result in the Insurer having no liability in terms of the Policy.



## GENERAL TERMS, CONDITIONS AND EXCLUSIONS

General conditions and exceptions apply to all sections of this policy but specific conditions, exceptions and endorsements override general conditions and exceptions. Any meaning given to a specific word or term will have the meaning when it occurs. Headings are for ease of reference only and must not be read separately from the text.

### GENERAL TERMS AND CONDITIONS

#### 1. Premium Payment Warranty

It is a condition precedent to liability of the Insurer and a warranty of cover that the premium will be paid to the Insurer in advance as specified in the Schedule. A breach of this warranty will entitle the Insurer to avoid liability for all losses.

#### 2. Arbitration

Should a dispute arise between the Insurer and You in respect to the monetary value of settlement of a claim and agreement can be reached on taking the matter to arbitration, the dispute must be referred to an arbitrator within 30 (thirty) days. The Insurer and you must appoint the arbitrator in accordance with Arbitration Foundation of Southern Africa Rules ("AFSA") and any fees incurred shall be equally divided between the Insurer and you.

#### 3. Territorial Limits

Cover will only be applicable to the Territorial Limits as stipulated in the Schedule, should these differ to those as defined previously.

#### 4. SA Jurisdiction

This Policy shall be governed by the laws of the Republic of South Africa whose courts shall have jurisdiction in any dispute arising hereunder.

#### 5. Cancellation

This Policy may be cancelled by the:

- a. Insured giving immediate written notice to the Insurer;
- b. Insurer giving 30 (thirty) days written notice to the Insured.

The Insured shall be entitled to a refund of the remainder of the unearned premium subject to any short-period rates and excluding premiums for any total loss (Unearned Premium).

#### 6. Precautionary measures

If you have declared the existence of any other or additional precautionary measures in place at inception of and during the period of insurance, these measures are a prerequisite for cover. You must ensure that these measures are at all times in place and in working order at the time of loss.

#### 7. Loss Prevention

It is warranted that the Insured shall take all reasonable measures in averting or minimising a loss and shall ensure that all rights against third parties are properly preserved and exercised.

#### 8. Waiver of subrogation rights

For the purposes of this insurance, 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 of this insurance in so far they can apply.

#### 9. Repatriation

The Policy covers vehicles in terms of the Territorial Limits whilst vehicles are travelling outside the borders of the Republic of South Africa (RSA) (excluding liability to third parties) subject to the following exclusions:

- a. Any parts stripped from the vehicle whilst left unguarded and/or unattended at the scene of the accident or whilst in transit back to RSA;



- b. All and any imposed duties, customs, charges, bribes, release fees or stamps;
- c. Towing and recovery costs unless specifically stated as insured on the Schedule;
- d. If following an accident the insured vehicle is not returned to RSA and it is declared by the Insurer to be a constructive total loss outside the RSA, the Insurer will settle the claim for the lesser of the retail value, or the sum insured or the market value or the agreed value as the case may be. Both the Excess and the value of the salvage will be subtracted from the final settlement. In such circumstances the salvage will belong to the Insured.

#### **10. Prescription Warranty**

- a. It is warranted that in the event of the Insurer declining liability for any loss submitted in terms of this Policy, unless legal action is instituted against the Insurer to challenge such declinature within 6 (six) months of the time of the Insurer giving notice of such declinature, the right to institute legal action against the Insurer thereafter will be forfeited. Any summons is to be served at the office of the Underwriting Manager (as agent authorised to receive same on behalf of the Insurer);
- b. No claim shall be payable after the expiry of twelve months from the date of occurrence giving rise to the loss, unless the claim is the subject of already instituted legal action against the insurer.

#### **11. Non co-operation**

Non co-operation in concluding claims may result in you having to refund the Insurer all amounts paid in settlement of the claim. This may also result that all benefits under this policy will be forfeited.

#### **12. Fraud / Exaggerated Claims**

If any claim under this Policy is in any way unfounded or fraudulent or intentionally exaggerated, or if any false declaration or statement is made in support of the claim, or if any loss or damage or liability is caused by the wilful act or connivance of the Insured or anyone acting on their behalf or with their knowledge or consent, all benefit under this Policy shall be forfeited.

The Insurer reserves the right to immediately cancel your policy should a fraudulent claim be submitted.

#### **13. Fidelity**

The Insurer shall not be liable for injury to persons or damage to property arising from the dishonest, criminal or illegal acts of any agent, shareholder, director, officer, partner or executive management of the Insured whether acting alone or in collusion with others.

#### **14. Other Insurance**

If at the time of any event giving rise to a claim under this Policy, any other insurance exists covering similar defined events, the Insurer shall be liable to make good only a rateable proportion of the amount payable to the Insured in respect of such event. 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.

#### **15. Breach of Conditions**

The conditions of the Policy and sections thereof shall apply individually to each of the risks insured and not collectively to them so that any breach shall void the section only in respect of the risk to which the breach applies.

#### **16. Change in Circumstances**

- a. Should there be any change in circumstance, which may affect the risk insured, it is the Insured's responsibility to notify the Insurer thereof in writing. Failure to do so may result in cancellation of cover or claims being found to be invalid due to the change in circumstances;
- b. The Insurer reserves the right to change terms and conditions of the policy provided that 30 days' notice of the intention to do so has been afforded to the Insured. Any such amendment shall be effected after midnight on the day on which such notice expires.

### **17. Custody of the motor trade**

Your indemnity relating to the insured vehicle shall operate while such vehicle is in the custody of a member of the motor trade for the purpose of its overhaul, upkeep or repair.

### **18. Currency, Interest and Delay**

All premiums and claims will be paid in South African Rand which will be inclusive of Value Added Tax (VAT) where the Insured is obliged to pay Vat in terms of the South African legislation current at the time of settlement. The Insurer will not pay any interest on a claim. The Insurer will not pay for any increased costs arising out of any delay in repairing, reinstating or replacing any loss or damage. The Insurer will not be liable for and/or pay for any consequential loss whatsoever.

### **19. Tracking and Fleet Management**

Where the Insurer requires a tracking and recovery device or fleet management system to be fitted to the vehicle or a discounted premium has been charged due to the fitment of such a device it is a condition precedent to liability that:

- a. Such device be a 24 hour monitored and response tracking or fleet management device;
- b. At the time of the loss by theft or hijack of the vehicle, such device must have been in working order and subject to a current contract with the provider thereof;
- c. Such device must have been maintained and operated in accordance with the service provider's instructions.

### **20. Claims Procedures**

It is a condition precedent to liability of the Insurer and a warranty of this Policy that the Insured will follow the following claims procedures in the event of a loss or damage that may give rise to a claim:

- a. Advise the Underwriting Manager of a theft or hijack as soon as reasonably possible but within 24 hours of the event giving rise to a claim;
- b. Advise the Underwriting Manager of any accident as soon as reasonably possible but within 10 days of the event giving rise to a claim;
- c. Report the incident within 24 hours to the South African Police;
- d. In any event, provide the Underwriting Manager with the necessary claim forms as soon as reasonably possible but within 30 days;
- e. Provide us with material proof, information, sworn declarations and other documentation we may require;
- f. Immediately forward to us any notice of any claim, writ, summons or legal process issued or commenced against you;
- g. Take all reasonable steps to recover the stolen property and to discover the perpetrators.

### **21. Insurer's rights after an event**

When any event occurs which may give rise to a claim, the Insurer may:

- a. Take, enter or keep possession of any damaged property and deal with it in any reasonable manner. However the Insured may not abandon any property to the Insurer whether the Insurer has taken possession of the property or not;
- b. Use its subrogation rights, at its own discretion, by conducting, taking over or arranging for representation at any legal procedures;
- c. In respect of indemnity provided for liability to Third Parties, pay the limit of such Indemnity, or any lesser amount for which a claim may be settled.

### **22. Compliance with Legislation**

It is a condition precedent to liability that at the time of any event which may give rise to a claim in terms of any section of this Policy:

- a. The insured vehicle(s) or any vehicle/trailer attached thereto or forming part of a train of vehicles/trailers drawn thereby or any part of any such vehicle/trailer, whether insured under this Policy or not, must comply with or meet in every respect the requirements as set out in the National Road Traffic Act (Act Number 93 of 1996) or any replacement statute, or of any provincial or local proclamation or statute which is applicable to the Insured vehicle;

- b. The driver must comply with all legislation, statutory requirements, regulations and enactments of the Road Traffic Act (Act Number 93 of 1996) and amendments thereto;
- c. Foreign Drivers: SADC Member states (Angola, Botswana, DRC, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia) recognises driver's license and permits issued by a member state and this also applies to professional driving permits. Zimbabwe drivers however must be in possession of a driver's license as well as a defensive driving certificate to qualify to drive heavy commercial vehicles above 3500 gross mass in member states;
- d. The load thereon must comply with all legislation, statutory requirements, regulations and/or enactments of the Road Traffic Act (Act Number 93 of 1996) and amendments thereto, and in any event the gross vehicle mass of the vehicle(s) or the combination gross vehicle mass shall not exceed 56,000 (fifty six thousand) kilograms.

### **23. Cross Liabilities**

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

### **24. Third Party Liability**

Where cover is provided for liability to third parties, the Insurer may pay you the limit of indemnity, or any lesser sum for which the claim can be settled, and then regard the claim as settled.

### **25. Unobtainable parts**

In the event of any part, accessory or fitment needed to repair or replace the damage to the vehicle insured being unprocurable in the Republic of South Africa as a standard ready-manufactured article, or in the event of any such article being denied to the Insured for any reason the liability of the Insurer shall be met by the payment of a sum equalling the value of the said article at the time of the loss or damage, but not in any case exceeding the manufacturer's last list price operative in the Republic of South Africa.

## **SASRIA**

It is hereby certified that the property insured under this Policy according to the Schedule is insured with the South African Special Risk Insurance Association (SASRIA Limited, Reg. No. 1979/00287/06) against loss or damage by riot or similar events in accordance with the terms and conditions of the SASRIA Policy Wordings which are attached and incorporated herein.

## GENERAL EXCLUSIONS

It is warranted that the Insurer will not be liable to pay for any loss or damage, destruction, injury, liability, expense directly or indirectly related to, caused by, through, and in consequence of, resulting from or contributed by:

### 1. 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 of public disorder or any act or activity with is calculated or directed to bring about any of the foregoing;
  - ii. War invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
  - iii. Mutiny, military rising, military or usurped power, martial law or state of siege, or and other event or cause which determines the proclamation or maintenance of martial law or state of siege; or
  - iv. Insurrection, rebellion or revolution;
  - v. 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;
  - vi. 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;
  - vii. Any attempt to perform any act referred to in clause (iv) or (v) above;
  - viii. The act of any lawfully established authority in controlling, preventing suppressing or in any other way dealing with any occurrence referred to in clause 1 (a) (i), (ii), (iii), (iv), (v) or (vi) above.
- 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 No. 85 of 1096 or any similar enactment 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 or damage to property or expense of whatsoever nature directly or indirectly caused by or 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.

### 2. Nuclear Exception

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 arising from:

- a. Ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
  - b. Nuclear material, nuclear fission or fusion, nuclear radiation;
  - c. Nuclear explosives or any nuclear weapon;
  - d. Nuclear waste in whatever form;
- regardless of any other cause or event contributing concurrently or in any other sequence to the loss.  
For the purpose of this exception only, combustion shall include any self-sustaining process of nuclear fission.

### 3. Detention, Confiscation and Forfeiture

This policy does not cover any loss, damage, costs (including but not limited to any legal costs), liability or expense directly or indirectly arising from detention, confiscation, forfeiture, commandeering, impounding or requisition legally carried out by customs, police, crime prevention units or other officials or authorities or any lawfully constituted authority.

#### **4. Specific Exception**

It is warranted that the Insurer will not be liable to pay for any loss or damage whatsoever while the vehicle is being driven by or is under the control for the purpose of being driven by:

- a. The Insured or by any person with the Insured's knowledge whilst under the influence of intoxicating liquor or drugs (unless administered by or prescribed by or taken in accordance with the instructions of a member of the medical profession other than himself);
- b. Any person who does not hold a current valid driving license for the type of vehicle being driven;
- c. Any person who does not hold a current valid Professional Driving Permit (PrDP) to drive such vehicle as required in terms of the National Road Traffic Amendment Act of 1998 (as amended); and
- d. Any person who does not hold a current valid Operator's License as required in terms of the National Road Traffic Act 1996 and as amended.

#### **5. Description of Use**

While the vehicle is being used for purposes other than its intended purpose including hiring, carrying of passengers for hire or carriage of fare paying passengers, racing, speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade.

#### **6. Wilful Misconduct**

For loss or damage attributable to the wilful misconduct of the Insured.

#### **7. Theft of Audio Installations**

The Insurer shall not be liable for loss of or damage to audio, communications, fleet management and tracking installations while the vehicle is parked overnight;

- a. The vehicle is locked, or contained in a securely locked building, or in a securely fenced area behind locked gates; and
- b. The loss or damage is accompanied by forcible and violent entry into the vehicle.

#### **8. Structural Changes**

If the vehicle has undergone any structural changes to the standard production design, unless notified to and accepted by the Insurer prior to the loss, accident or departure.

#### **9. Consequential Loss or Damage**

For consequential loss, indirect loss or damage of any kind or description, including but not limited to loss of profits, guarantees and extraordinary costs.

#### **10. Damage to Springs**

Damage to springs or shock absorbers due to impact with inequalities of any surface.

#### **11. Damage to Tyres**

Damage to tyres by application of brakes or punctures, cuts or bursts.

#### **12. Wear and Tear**

Ordinary wear and tear of the vehicle or any of its accessories and spare parts.

#### **13. Depreciation**

Depreciation of any nature which shall also mean diminution of value of the vehicle howsoever arising consequent upon the vehicle having sustained damage and continuing after the repair of such damage.

#### **14. Subsequent Damage**

Any subsequent damage if the vehicle is used after an accident before necessary repairs have been carried out.

**15. Assumed Liability**

Liability you assume by agreement other than liability, which would have arisen if such agreement had not been entered into.

**16. Theft of Vehicle which is not fitted with required approved tracking and recovery device**

Loss or damage following theft of any vehicle specified in the schedule not fitted with a tracking and recovery device where required in the schedule.

**If the company alleges that by reason of these exceptions loss or damage is not covered by this policy, the burden of proving the contrary shall rest on the insured.**



## B. HEAVY COMMERCIAL VEHICLE

### 1. SUB-SECTION I: OWN DAMAGE

#### 1.1 What is covered:

Accidental damage to or loss of any vehicle described in the schedule, its accessories and spare parts whilst thereon, and audio, communications or fleet management and tracking systems permanently fitted to the vehicle, whilst within the territorial limits as stated in the policy schedule.

#### 1.2 Extensions (As stated in the schedule)

##### a. Fire Extinguishing Charges

The reasonable costs, up to the limit stipulated on the Schedule, for fire extinguishing charges subject to the Insured vehicle having been in danger as a result of the fire and legal liability attaching to the Insured for such cost.

##### b. Towing, Recovery, Protection and Debris removal and Spillage from the vehicle's diesel tank

The reasonable costs, up to the limit stipulated on the Schedule, for the recovery, protection and removal of the vehicle to the nearest approved repair facility and subsequent delivery to the Insured's permanent address within the Republic of South Africa.

The reasonable cost that are necessarily incurred following an accident to clean up and remove debris of the vehicle, or leakage from the vehicle's diesel tank and any other auxiliary tanks fitted to the vehicle, excluding any expenses incurred in consequence of or to prevent or mitigate pollution or contamination, or threat of liability.

##### c. Replacing locks, keys and remotes

The reasonable cost, up to limit stipulated on the Schedule, of replacing locks, keys, an alarm remote control, and the reprogramming of any coded alarm system of the vehicle, if the key or alarm remote control has disappeared or there is reason to assume that an unauthorised person may be in possession of these or duplicates thereof.

##### d. Temporary repairs

Temporary repairs can be authorised by you provided that a detailed estimate is first obtained and immediately forwarded to the Insurer for authorisation to enable the vehicle to be driven back to the Republic of South Africa.

##### e. Driver Personal Accident (Subject to Driver's ID being provided)

The Insurer agrees to pay the following benefit to the Insured as stated in the Schedule, following death or permanent total disability of the nominated driver, with prove of injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is capable by knowledge or training as a result of an accident.

**Driver death or permanent total disability:** Driver benefit payment will be made direct to the Insured as stated in the schedule.

**Business limitation:** This section applies only in respect of accidental bodily injury to such nominated driver arising from and in the course of his employment.

**Specific Conditions:** The Insurer will in case of the death of the driver be entitled to have a post-mortem examination at its own expense and the Insurer will pay the proceeds of any claim to the Insured. Compensation will only be paid once a death certificate has been issued and a certified copy is provided to the Insurer.

After suffering accidental bodily injury for which compensation may be payable under this section, the driver shall, when reasonably required by the Insured to do so, submit to a medical examination and undergo any treatment specified. The Insurer shall not be liable to make any payment unless this condition is complied with to the Insurer's satisfaction.



**Exclusions:** No compensation will be paid unless a death has occurred within 30 (thirty) days of the accident and directly related to the incident.

Any occurrence following suicide or any attempt threat or intentional self-injury by the driver, should such driver be under the influence of alcohol or drugs at the time of the accident, while the driver is in a state of insanity temporary or otherwise, as a result of a criminal act, or while taking part in civil commotions or riots of any kind and death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

**f. Contingent liability extension (if stated in the schedule to be included)**

The indemnity under sub-section B includes claims made against:

- I. The insured in the event of an accident arising in the course of the business and caused by or through or in connection with any vehicle not the property of or provided by the insured, while being used by any partner or director or employee of the insured (hereinafter in the extension referred to as such person)
- II. 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 him 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 :
  - All the words in ii) of the exceptions to sub-section B are deleted
  - The company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in I) and II) above
  - 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
  - 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 company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy
  - The terms, exceptions and conditions of the policy shall otherwise apply.

**g. Passenger liability extension (if stated in the schedule to be included)**

Sub Section II 2.1 ai shall not apply to vehicles described in definitions 14b.c.d.e.f.and g. The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

**h. Unauthorised passenger liability extension(if stated in the schedule to be included)**

The indemnity under sub section II, notwithstanding Sub Section II 2.1 ai 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 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.

**i. Parking Facilities and movement of third party vehicles (if stated in the schedule to be included)**

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:

- With the authority of any tenant, customer or visitor of the insured or;
- In connection with the insured's parking arrangements or;
- To facilitate the carrying out of the insured's business,

And provided further that this extension shall not apply in respect of damage to vehicles which are parked for reward.



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.

**j. Repatriation Cost (Cross Border Towing)**

Where the insured vehicle is involved in an accident outside the borders of the RSA and sustains damage which is insured in terms of the policy and which renders it un-driveable, the company will pay the actual costs of recovery and towing which have been incurred to repatriate the insured vehicle to the RSA, provided that the indemnity afforded by this section does not exceed the sum insured in the policy, and provided that the cover under this section only pays for the cost incurred in getting the insured vehicle to the South African side of the border. Once the insured vehicle is on the South African side of the border all cover under this section ceases.

The company shall not be liable to for the cost of any damages which may occur to the vehicle during the course of repatriation to the South African side of the border and the cost of any duties payable to the authorities.

**1.3 Optional Extensions (if stated in the schedule)**

**a. Windscreen / Window Glass**

If stipulated on the Schedule, the accidental damage to Windscreen / Window Glass of the vehicle subject to:

- i. no other damage having been caused to the vehicle
- ii. the Windscreen / Window Glass Excess

**b. Loss of Use**

The Insurer will pay the amount stated on the Schedule and for the period stated as compensation for the loss of the use of the vehicle as a result of any loss or damaged covered by this Policy;

- i. The loss of use must be the result of an authorised claim in terms of the policy.
- ii. Accidental damage – A maximum period as stated on the schedule or finalization of repairs, whichever is first.
- iii. Total Loss / Theft & Hijack – Compensation will be paid until settlement of the claim in terms of the policy or for a maximum period of 4 (four) weeks, whichever is shorter.
- iv. Compensation under this section will commence on receipt of all relevant documentation.

**c. Credit Shortfall**

The amount of the Statutory Settlement Balance is limited to the amount stated in the schedule.

**What is not covered:** any excess (es) payable in terms of the Policy is not covered.

**Specific Definitions:**

**Finance Company** – The Finance Company who is the creditor in terms of the credit agreement, whose interest in this insurance is noted on this policy.

**Credit Agreement** – A legally enforceable credit agreement as defined in the Credit Agreement Act 75 of 1980 as amended, entered into by the Insured with the Finance Company in respect of the insured vehicle as specified in the Schedule.

**Statutory Settlement Balance (HCV's and Trailers only)** – The payment due by the Insured in respect of the Credit Agreement Act as at the date of loss being the difference between **the settlement of the Underlying Policy and balance due to the Finance Company to the maximum sum insured stipulated** in the schedule, excluding any excesses, instalment arrears and any settlement penalties levied by the Finance Company, such as but not limited to maintenance fees and excluding any residual payment due under the final instalment and any re-financed payments.

**d. Tool of Trade**

Cover is extended to include liability for claims arising out of the ownership, possession or use by or on behalf of the Insured of any vehicle, other than claims caused by the use of:

- i. Any tool or plant forming part of or attached to or used in connection with any vehicle;

- ii. Any vehicle as a tool of trade; or
- iii. A trailer which is not attached to or has accidentally become detached from a motor vehicle.

**e. Repatriation Cost (Cross Border Towing) - Additional**

Where the insured vehicle is involved in an accident outside the borders of the RSA and sustains damage which is insured in terms of the policy and which renders it un-driveable, the company will pay the actual costs of recovery and towing which have been incurred to repatriate the insured vehicle to the RSA, provided that the indemnity afforded by this section does not exceed the sum insured in the policy, and provided that the cover under this section only pays for the cost incurred in getting the insured vehicle to the South African side of the border. Once the insured vehicle is on the South African side of the border all cover under this section ceases.

The company shall not be liable to for the cost of any damages which may occur to the vehicle during the course of repatriation to the South African side of the border and the cost of any duties payable to the authorities.

**f. Excess Reducers**

**Own damage (accident excess reducer)**

The company will repay to the insured the basic excess applicable in respect of Sub-section 1 for claims arising from accident, fire, lightning, explosion and theft of parts and accessories provided the company has indemnified the insured's claim under sub section 1 and where applicable the excess has been deducted from the payment of the claim.

This section is subject to its own excess which may vary, depending on amount stated in the schedule (the amount selected by the Insured).

**Specific exception** – the company will not be liable to pay for any excess relating to claims for third party damage, theft or hijack, resulting in actual total loss of the insured vehicle, windscreen or glass.

**Theft & Hijack – excess reducer**

If the insured's entire vehicle is stolen or hijacked the company will pay the insured the total of the excesses deducted from the insured's claim under sub section 1 up to the amount stated in the schedule.

If the company makes a successful recovery under sub-section 1 on the insured's behalf the company reserves the right to be reimbursed a rateable portion of the excess that was paid to the insured.

Specific definitions:

**Theft** – the unlawful, intentional removal of the insured entire vehicle without the insured's permission and where such vehicle is not recovered within 4 (four) weeks.

**Hijack** – the unlawful, intentional removal of the insured entire vehicle without the driver's permission by the wielding of a firearm or any other dangerous weapon the inflicting of grievous bodily harm or 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.

**Third party – excess reducers**

The company will repay the insured for the excess deducted from any claim paid under sub-section 2 provided that:

Such excess is reflected in the schedule or policy of the company; and

The company has indemnified the insured and has deducted the excess; and

The company's liability shall not exceed the amount stipulated in the schedule.

**g. Additional Towing within the Borders of South Africa**

This section insures you for an amount up to the limit stated towards the costs incurred when recovering an insured vehicle following an accident or total loss.

## 2. SUB-SECTION II : LIABILITY TO THIRD PARTIES

### 2.1 What is covered:

The Insurer will be liable for the following Defined Events:

#### a. Indemnity

The Insurer will indemnify You up to the limit stipulated on the Schedule for all sums, including claimant's costs or expenses, which You may become legally liable to pay as a result of an accident caused by or through or in connection with the operation, including loading and unloading, of the vehicle/s stipulated on the Schedule resulting in:

- i. Death of or bodily injury to persons but excluding passengers and any person in the employ of the Insured or members of the same household provided that such death or bodily injury arose out of and during the course of such employment; and
- ii. Loss or damage to property not owned by the Insured, and/or not in his custody, control or being transported by him.

#### b. Tool of Trade (if stated in the Schedule)

Cover is extended to include liability for claims arising out of the ownership, possession or use by or on behalf of the Insured of any vehicle, other than claims caused by the use of:

- i. Any tool or plant forming part of or attached to or used in connection with any vehicle;
- ii. Any vehicle as a tool of trade; or
- iii. A trailer which is not attached to or has accidentally become detached from a motor vehicle.

#### c. 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 each Insured shall be treated as though separate policies had been issued to each, provided that the aggregate liability shall not exceed the limit of indemnity specified in the Schedule.

#### d. Driving by other persons

The Insurer will indemnify any person while driving or using an Insured vehicle with your permission provided that such person:

- i. Is not entitled to indemnity under any other policy;
- ii. Is fully and properly licensed to drive such vehicle;
- iii. Shall act as though he or she were you and observe, fulfil and be subject to the terms, exceptions;
- iv. and conditions of this policy; and
- v. Has not been refused any vehicle insurance or continuance thereof by any Insurer or underwriter.

#### e. Towing of Vehicles

This section indemnify the insured in respect of liability arising from the towing of a disabled vehicle or trailer not the property of the insured, by a vehicle specified in the schedule (including liability arising out of the towed vehicle or trailer), provided the company shall not be liable for damage to the towed vehicle or trailer or to property thereon or therein, and providing that such vehicle is not towed for reward.

#### f. Waiver of rights

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) to your Lynx Policy as far as they can apply.

## 2.2 What is not covered:

The Insurer will not be liable to pay for:

**a. Compulsory Third Party Insurance:**

Claims in respect of any compensation or claim that falls within the scope of any compulsory third party enactment including the Road Accident Fund Act 1996 as amended prior to 1 January 2006 within the Territorial Limits of the Policy. This exception shall apply notwithstanding that no insurance under any such enactment is in force or has been affected.

- b.** Death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in definition 14.b,c,d,e,f,and g 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 onto or alighting from a permanently enclosed passenger carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1,500kg).

**c. Excess:**

The excess payable by the Insured as stated in the policy, unless stated otherwise.

**d. Trailers pulled by another Party:**

Any Third Party liability attaching to any trailer being pulled by any party other than the Insured.

**e. Passenger Liability / Unauthorised Passenger Liability:**

Any liability whatsoever for death or bodily injury to passengers in any vehicle whether fare-paying or not.

**f. Dangerous Goods Liability:**

Liability arising out of carriage of prescribed dangerous goods in terms of Chapter 8, National Road Traffic Act (Act Number 93 of 1996), and National Road Traffic Regulations 2000.

**g. Spillage and Clean-Up Costs:**

Any costs and expenses incurred for clean-up and remedial procedures to remove or repair the effect of spillage or leakage of goods or any substance carried in or on the insured vehicle or any vehicle attached thereto.

**h. Territorial Limits:**

Liability arising from any occurrence outside the territorial limits of South Africa.

**i. Assumed liability:**

Any claims arising out of any liability assumed by the Insured by agreement, unless such liability would have attached to the Insured in the absence of such agreement.

## C. GOODS IN TRANSIT

### 1. What is covered?

#### 1.1 Subject Matter Insured

Goods conveyed by the Insured on behalf of their clients (including all packaging materials when necessary for commercial purposes) as stipulated on the Schedule but excluding ropes, chains, tarpaulins, etc., unless stipulated on the Schedule.

#### 1.2 Policy Limit

- a) As per Schedule (inclusive of VAT) any one vehicle per transit unless otherwise declared to and accepted by the Insurer prior to a loss.
- b) Where separate limits stipulated on the Schedule are divided into separate classifications (example: into commodity types), these limits are not cumulative, other than in the case of cover for tarpaulins, shipping containers (boxes themselves) where cover will be additional to maximum Policy limits.

#### 1.3 Means of Conveyance

Cover is limited to goods entrusted to the Insured, whilst these are being conveyed on vehicles (and any trailers attached thereto at time of loss), as stipulated on the Schedule by registration number, or as may be otherwise stipulated on the Schedule.

#### 1.4 Basis of Valuation

- a) Indemnification is limited to cost price of goods to the owner of the goods or replacement value or market value or declared value whichever is the least, at the time of the loss.
- b) Fresh produce: the average market value for the commodity at the market of intended sale on the day of the intended sale, less agents commission, less any costs not incurred of, if pre-sold, suppliers invoice value, less any costs not incurred;
- c) In the case of goods being transported for a client for the purpose of an inter branch transfer, and not invoice document exists substantiating value, the catalogue / stock price at the time of the loss shall be used, with the onus of proof of this falling on the Insured.

#### 1.4 Defined Events

As stated on the Schedule in the Cover Summary, cover applicable in terms of this Policy will be:

##### a) All Risks:

##### i. New Goods transported in a fully enclosed / fully tarpaulined vehicle:

Against All Risks of physical loss or damage to the subject matter insured, subject to the terms, conditions and exclusions of the Policy. Excluding loss or damage resulting from variation in temperature howsoever caused, unless otherwise specifically stated on the Schedule to include Deterioration of Stock (DOS), in which case cover is extended to include loss or damage to the subject matter insured resulting from variation in temperature attributable to breakdown or malfunction of refrigeration machinery (other than when caused by fuel starvation) resulting in its stoppage / malfunctioning for a period of not less than 6 (six) consecutive hours, with the onus of proving such breakdown or malfunction resting on the Insured. This cover extension shall not apply whilst the subject matter insured is being transported in a refrigerated shipping container.

##### ii. Second hand and/or goods transported other than in a fully enclosed / fully tarpaulined vehicle:

Against the risk of fire, collision, overturning the conveying vehicle, theft following an insured peril, and hijacking as defined herein.

##### b) Restricted cover (Fire, Collision, Overturning, Theft following and Hijack):

Cover is restricted to physical loss and/or damage to the insured cargo as a direct result of any of the following defined events:

- b.1) Fire, explosion, lightning, earthquake and volcanic eruption, including resultant smoke and water damage;
- b.2) Overturning of the conveyance;
- b.3) Collision of the conveying vehicle and/or insured cargo with an object external to itself and the conveyance;
- b.4) Theft following an insured peril – needs clarification;
- b.5) Hijacking of the conveyance;

**c) Specified Perils Only:**

Cover will be limited to the Specified Perils stipulated on the Schedule only, as these specified perils are interpreted in terms of the above.

**1.6 Livestock**

Cover is restricted to death and humane killing within 24 (twenty four) hours of, and as a direct result of the following defined events:

- i. Fire, explosion, lightning, earthquake and volcanic eruption, including resultant smoke and water damage;
- ii. Overturning of the conveyance;
- iii. Collision of the conveyance and/or insured cargo with an object external to itself and the conveyance;
- iv. Theft following an insured peril;
- v. Bolting following an insured peril;
- vi. Hijacking of the conveyance.

**1.7 Duration of Cover and Temporary Storage**

- a) Cover attaches once the goods have been loaded on the conveying vehicle and terminates upon offloading. Cover is further extended to include the loading and the offloading process where this element of risk is physically done by the Insured's employees;
- b) Cover is extended to include incidental storage in the ordinary course of transit and limited to the maximum Sum Insured as stipulated on the Schedule. It is a warranty that any such storage will be within a fully enclosed, secured, locked and guarded storage premises;
- c) Intermediate storage in the ordinary course of transit is covered provided that such period of storage does not exceed 72 (seventy two) hours. The insured warrants that such storage will be within a fully enclosed, secured and guarded premise;
- d) If the Schedule states All Risks cover, then theft cover whilst in storage is subject to their having been forcible and violent entry into the locked storage premises.

**1.8 Salvage Disposal**

In the event of loss or damage occurring which is recoverable under this policy, the insured shall take all reasonable steps to mitigate the loss and shall preserve all recoverable salvage. The company shall with the prior approval of the cargo owner be entitled to sell the salvage at the best possible price in order to mitigate the loss. Should the cargo owner not approve the sale of the salvage by the company, the company will nevertheless be entitled to reduce the claim by an amount equivalent to the reasonable salvage value as could have been obtained by the company or its agents.

**1.9 Plant Machinery & Equipment**

In the event of loss / damage to second hand machinery equipment, the amount recoverable hereunder shall not exceed such proportion of the cost of replacing the part lost / damaged, as the insured value bears to the value of new machinery / equipment. Mechanical, electrical and/ or electronic derangement is excluded.

**1.10 Pairs & Sets Clause**

In the event of loss of or damage to any articles forming part of a pair or set, the Insurer's liability shall be limited to the value of such parts which may be lost or damaged, without reference to any special value which such articles shall have as part of such pair or set, nor shall it exceed the proportionate part of the insured value of such a pair or set.



### **1.11 Cutting Clause**

In the event of a claim occurring to the insured cargo, provided that it is practicable to use the sound portion or portions for the purpose for which they were originally intended, the company may pay only for the proportionate value(s) of the damaged part(s) plus the cost of cutting off, less their salvage value if any.

### **1.12 Debris Removal (If stated on the Schedule as included)**

This insurance is extended to cover, in addition to any other amount recoverable under this Section, the reasonable extra expenses (up to the limit stated on the Schedule) legally incurred by the Insured for the removal and disposal of debris of the subject matter insured, or part thereof, by reason of damage thereto caused by an insured risk. Excluding absolutely any expenses incurred in consequence of or to prevent or mitigate pollution or contamination, or any threat of liability thereof.

### **1.13 Driver Fidelity (If stated on the Schedule as included)**

This insurance is extended to cover loss of goods arising through theft and/or hijacking in instances where there is involvement of the driver / or co-driver. However, this extension does not cover the involvement of the owners, partners or directors of the company.

### **1.14 Tarpaulin, nets, strap and chains (If stated on the Schedule as included)**

This insurance is extended to cover, in addition to any other amount recoverable under this Policy, loss of and/or damage to tarpaulins, nets, straps and chains (up to the limit stated on the Schedule) which are owned and used by the Insured and were on the conveying vehicle stipulated on the Schedule at the time of loss, against the risk of fire, collision, overturning of the conveying vehicle, theft following such an event and hijacking as defined herein.

### **1.15 Shipping Container Cover**

The Policy includes cover for loss of and/or damage to standard general purpose shipping containers (up to the limit stated on the Schedule) conveyed by the Insured against All risks of physical loss or damage to the container as a direct result of an unexpected and unforeseen event not otherwise excluded. Pre-existing damages, loss or damage as a direct result of mechanical / electrical or electronic derangement, rust, oxidation, contact with water, moisture, discoloration, chipping, denting, scratching and cutting, is specifically excluded unless caused by the following defined events:

- a) Fire, explosion, lightning, earthquake and volcanic eruption, including resultant smoke and water damage;
- b) Overturning of the conveyance;
- c) Collision of the conveyance and / or the container with an object external to itself and the conveyance;
- d) Hijacking, theft or robbery or any attempt thereof of the conveyance or insured cargo.

### **1.16 Extended Refrigerator Shipping Container Cover (If stated on the Schedule as included)**

This insurance is extended to cover loss of and/or damage to refrigerated shipping containers (up to the limit stated on the Schedule) conveyed by the Insured against All risks of physical loss or damage to the container as a direct result of an unexpected and unforeseen event not otherwise excluded. Loss or damage as a direct result of mechanical / electrical or electronic derangement, rust, oxidation, contact with water, moisture, discoloration, chipping, denting, scratching and cutting, is specifically excluded unless caused by the following defined events:

- a) Fire, explosion, lightning, earthquake and volcanic eruption, including resultant smoke and water damage;
- b) Overturning of the conveyance;
- c) Collision of the conveyance and / or the container with an object external to itself and the conveyance;
- d) Hijacking, theft or robbery or any attempt thereof of the conveyance or insured cargo

### **1.17 Overloading (If stated on the Schedule as included)**

This insurance is extended to cover overloading should the total mass not exceed 5% of the legal maximum permissible weight that such conveyance is licensed to carry.

### **1.18 Salvaging and Recovery Costs (If stated on the Schedule as included)**

This insurance is extended to cover, in addition to any other amount recoverable under this section, expenses reasonably incurred by the Insured for sending an alternative vehicle to the accident scene, reloading, salvaging, sorting and repackaging costs (up to the limit stated on the Schedule). This is subject to the original cause of the loss being an insured event under the Policy.

## **2. What is not covered**

### **2.1 In conjunction with the terms, conditions and exclusions of this policy the Insurer will not be liable to pay for:**

- a. Loss or damage attributable to the wilful misconduct of the Insured;
- b. Ordinary loss in weight or volume, ordinary wear and tear or loss or damage caused by inherent vice or nature of the subject matter insured;
- c. Loss or damage caused by insufficiency or unsuitability of packing, covering or securing of the subject matter insured in or on the conveying vehicle;
- d. Loss or damage caused by delay, even though the delay may be caused by a risk insured against;
- e. Capture, seizure, arrest, restraint or detainment (excluding hijacking) of the subject matter insured;
- f. Consequential loss, including but not limited to loss of profits, penalties, guarantees and extraordinary reproduction costs;
- g. Loss or damage to any shipping container, tarpaulins, nets, straps and chains unless otherwise stipulated on the Schedule;
- h. Loss or damage whilst the subject matter insured is in the care of any subcontractor or person other than the Insured named on the Schedule, unless otherwise stipulated on the Schedule;
- i. Loss or damage arising from dishonesty of any partner, member, director or employee of the Insured whether acting alone or in collusion with others;
- j. Breakdown of refrigeration equipment;
- k. 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;
- l. Mechanical, electronic or electrical breakdown, failure, breakage or derangement of the insured property unless following an accident or misfortune not otherwise excluded;
- m. Unfitness of or un-roadworthy condition of the conveyance and /or container for the safe carriage of the insured cargo;
- n. Contamination of the insured cargo by residue or remains of previously conveyed cargo;
- o. Water damage including rust, oxidation and discolouration where protective covers, including tarpaulins, were not in a sound and water repellent condition or resulting from lack of or inadequate protective covers;
- p. Delay in delivering the insured cargo;
- q. Insolvency or financial default of the insured or of the insured's agents or sub-contractors;
- r. Consequential losses or expenses, including loss of profit, loss of market, cost of re-forwarding the insured cargo, cost of sourcing replacement cargo, any expense or cost not authorised in writing by the company and liability attaching to or stemming from the insured cargo;
- s. Any loss or damage occurring outside the territorial limits stated in the schedule;
- t. Rejection of the insured cargo by the receiver where such cargo or such part thereof is in sound condition and not affected by a defined event;
- u. Unexplained or unaccountable shortages;
- v. Non-compliance with any terms, conditions or warranty herein contained.

### **2.2 It is warranted that no cover exists under any of the following circumstances:**

- a) Whilst the conveying vehicle is stopped, other than whilst on a public road, unless at the time of the loss the vehicle was parked in a securely fenced and enclosed yard or at a recognized truck stop operated specifically as a parking facility and the driver or a crew member or a security guard is in attendance at all times.
- b) Whilst the goods are not being transported in accordance with the minimum standards for the conveyance of such goods as legislated or as prescribed by the SABS.



### **2.3 Excluded Cargo:**

The following commodities/cargo is excluded and no cover in respect thereof is provided unless agreed in writing with the company prior to cover commencing;

“Antiques or antiquities of any description , artworks ammunition, explosives, fireworks, bank and treasury notes, bullion, cash, travellers cheques, cameras, cellular phones and accessories, pre-paid phone cards, computers and memory systems, cobalt, copper in any form, copper cable, non-ferrous metals, gold or silver articles, jewellery, watches, furs, models, moulds, patterns, plans, deed, designs, documents of any description, securities, specie, stamps, tickets, cigarettes and tobacco product other than raw tobacco, tyres, unless specifically included in the schedule”.

### **3. Excess Clause**

Claims recoverable under this policy shall be subject to the following excesses:

All losses other than hijacking as defined herein, will be subject to the amount stated as the “minimum” in the policy schedule, or the percentage in the policy schedule applied to the gross claim including VAT, whichever is the greater for each claim, event or occurrence.

All hijacking losses as defined herein, will be subject to either the amount stated as the “minimum” in the policy schedule, or the percentage in the policy schedule applied to the gross value including VAT, of all goods being transported on the vehicle at the time of loss, whichever is the greater for each claim, event or occurrence.

## D. BUSINESS ALL RISK

### 1. Defined Events

Loss of or damage to the whole or part of the property described on the Schedule by any accident or misfortune not otherwise excluded.

### 2. Specific Exclusions:

The Insurer shall not be liable for 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 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 or exit;
- b. Its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration;
- c. Inherent vice or defect, vermin, insects, damp, mildew, rust;

### 3. Average

If the total value of the item which is not separately / individually stipulated, is at the time of the loss the loss of greater value than the Sum Insured thereon, the Insured shall be responsible for the difference as if being his own insurer and shall bear the a rateable proportion of the loss or damage accordingly.