

## GOODS IN TRANSIT

Loss of or damage to the whole or part of the Goods (as defined), in the course of transit by the means of conveyances (as defined).

### **Policy limit or maximum sum insured**

As per schedule (inclusive of VAT) any one vehicle per transit unless otherwise declared to and accepted by the Insurer prior to loss. Where separate limits are stipulated on the schedule divided into separate classifications (example: into commodity types), these limits are not cumulative.

First loss basis: The policy limits as stipulated in the policy schedule are on a first loss basis, therefore no average applies in the event that the load value exceeds the policy limit.

### **1. Subject matter insured**

This policy covers goods carried by the Insured on behalf of its clients (including all packing material, pallets, receptacles, covers, boxes, labels and the like when necessary for commercial purposes) as stipulated in the policy schedule, but excludes: Antiques, antiquities of any description, arms, ammunition, bank and treasury notes, bullion, cash, mobile telephones and accessories, copper, deeds, designs, documents of any description, explosives, film, gold or silver articles, used household goods and personal effects, jewellery, liquor (other than wine or beer), live animals, motor vehicles of any description, plans, precious metals or stones, pre-paid phone cards or vouchers, specie, stamps, tickets, tobacco products, electronic goods, tinned fish and travellers cheques unless specifically included in the policy schedule.

### **2. Conveyances**

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 in the policy schedule by registration number, or as may be otherwise stipulated in the policy schedule.

### **3. Basis of valuation**

Indemnification under this policy 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 time of loss. In the case of goods transported for a client for the purpose of an interbranch transfer, and no invoice documents exists substantiating value, the catalogue or stock price at time of loss shall be used, with the onus of proof of this falling on the client.

### **4. Territorial limits**

As per motor section.

### **5. Claims settlement clause**

It is understood and agreed that the Insurer will settle claims as per policy terms and conditions applicable plus the VAT factor where the Insured is obliged to pay such in terms of the South African legislation current at time of settlement.

### **6. First amount payable**

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

All losses other than hijacking 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 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 the goods being transported on the vehicle at the time of loss, whichever is the greater for each claim, event or occurrence.

On behalf of:



An Authorised Financial Services Provider (FSP12)

## 7. General policy conditions

If stated in the policy schedule as being All Risks, cover applicable in terms of this policy will be:

New goods transported in a fully enclosed or 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 in the policy schedule to include DOS (deterioration of refrigerated stock), 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 or malfunctioning for a period of not less than 6 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.

Second hand goods and goods transported other than in a fully enclosed/fully tarpaulined vehicle:

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

If stated in the policy schedule as being restricted, cover applicable in terms of this policy will be:

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

If stated in the policy schedule as being limited to any specific perils only, cover applicable in terms of this policy will be limited to these specified perils only, as these specified perils are interpreted in terms of the above.

## 8. Duration clause

Cover automatically attaches upon loading of the insured goods onto the conveying vehicle and or trailer, and terminates upon offloading from the conveying vehicle and or trailer. Cover also applies during the loading onto and off loading from the conveying vehicle, subject to the loading or off loading being done by the Insured's own employees. Cover also applies while the insured goods are off loaded from the conveying vehicle whilst in temporary storage during the ordinary course of transit, limited to a maximum storage period of 72 hours, and subject to a premises storage limit of the policy limit as is stipulated in the policy schedule per any one claim or event. If the policy is on an All Risks basis, then cover for theft whilst in storage is subject to there having been forcible and violent entry into the locked storage premises. The Insured warrants that any such storage will be within a fully enclosed, secured, locked and guarded storage premises.

## 9. Plant, machinery and equipment

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

## 10. Pairs and sets clause

In the event of loss of or damage to any articles forming part of a pair or set, the Insurer 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 pair or set.

## 11. Hijacking definition

Seizure of the insured property contained in or on the conveying vehicle, where such seizure is accompanied by unlawful and forcible removal of the conveying vehicle to a destination other than originally intended, or accomplished by means of violence or threat of violence against the person or persons who, at the time of such seizure, are in actual lawful control of such conveyancing vehicle carrying the property.

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### 12. Other insurance clause

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 any condition of average, this policy, if not already subject to any condition of average, shall be subject to average in like manner.

### 13. Special policy warranties

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

- i) Whilst the conveying vehicle is stopped unless the vehicle is contained in a security compound and the driver or crew or a security guard is in attendance at all times.
- ii) Whilst the conveying vehicle is being driven by or in control of any person whilst under the influence of liquor or drugs.
- iii) Whilst the conveying vehicle is carrying a load the weight which is in excess of that which is legally permissible for a vehicle of that type, in accordance with current legislation at time of loss.
- iv) Whilst the conveying vehicle is being driven by or in control of any person not in possession of a valid and suitable drivers licence and driving permit as is required by law for the vehicle or load at the time of loss.
- iv) Fire related losses are excluded unless there is a minimum of 4.5kg dry powder fire extinguisher in good working order on or in the conveying vehicle at time of loss, and the driver or crew has knowledge of how to operate same.
- v) Once the conveying vehicle has undergone any structural changes to the standard production design, unless notified to and accepted by Insurers prior to loss, accident or departure.
- vi) 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.
- vii) Whilst the conveying vehicle is not in compliance with current legislation regarding roadworthiness or does not have a valid certificate of fitness at time of loss.

### 17. Exclusions

In no case shall this insurance cover:

- i) Loss or damage attributable to wilful misconduct of the Insured.
- ii) 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.
- iii) Loss or damage caused by insufficiency or unsuitability of packing, covering or securing of the subject matter insured in or on the conveying vehicle.
- iv) Loss or damage caused by delay, even though the delay be caused by a risk insured against.
- v) Capture, seizure, arrest, restraint or detainment (hijacking excepted) of the subject matter insured.
- vi) Consequential loss, including but not limited to loss of profits, penalties, guarantees and extraordinary reproduction costs.
- vii) Loss or damage whilst the subject matter insured is in the care of any subcontractor or person other than the insured named in the policy schedule, unless otherwise stipulated in the policy schedule.

### 18. Fraud and fidelity exclusion

If any claim under this policy is in any respect fraudulent or if any fraudulent means are used by the insured or anyone acting on his behalf to obtain any benefit under this policy, or if any loss be occasioned by the wilful act of the insured, all benefit under this policy shall be forfeited. This policy excludes the dishonesty of any partner, member or director of the insured whether acting alone or in collusion with others.

### 19. Automatic extensions

#### Tarpaulins

Cover is automatically extended to include tarpaulins, cargo nets, ropes, chains and corner plates, subject to a maximum policy limit of R25 000 per claim, and subject to an excess of R2 500 per claim. Cover applicable to tarpaulins cargo nets, ropes, chains and corner plates is All Risks of physical loss or damage excluding wear and tear, discoloration, scratching, cutting, theft (unless due to hijacking or theft of the truck and trailer) and pre-existing damage.

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**Debris removal and clean up costs**

Cover is automatically extended to include expenses reasonably incurred by the Insured for the removal and disposal of insured goods, and prevention of pollution of the environment by goods insured under the policy, caused as a direct result of an event insured under the policy. Subject to a maximum policy limit of R25 000 per claim, and subject to an excess of R2 500 per claim.

**Salvaging or load recovery costs**

Cover is automatically extended to include expenses reasonably incurred by the Insured for sending an alternative vehicle to the accident scene, reloading, salvaging, sorting and repacking costs, where the original cause of loss was an event insured under the policy. Subject to a maximum policy limit of R25 000 per claim, and subject to an excess of R2 500 per claim.

**Container cover**

Cover is automatically extended to include shipping containers, subject to the policy limit as stipulated in the policy schedule (which is the policy limit for the value of the goods including the value of the shipping containers) and subject to the policy excess as stipulated in the policy schedule (which is the excess applicable for the combined claim for the goods and the claim for the shipping containers). Cover applicable to shipping containers is All Risks of physical loss or damage excluding wear and tear, rust and pre-existing damage.

**Over height shipping containers**

If the height of the shipping container on the trailer exceeds the maximum legal allowed height, then this will not prejudice a claim in terms of the policy.

**Overloading allowance**

If the combined weight of the conveying vehicle and load is greater than that allowed by legislation then this will not prejudice a claim in terms of the policy, unless the combined weight is more than 5% over the maximum weight allowed by legislation, in which case cover in terms of the policy is excluded absolutely.

**Driver or employee criminal involvement**

Cover is automatically extended to include criminal involvement of the Insured's driver or employees in theft or hijacking of goods insured under the policy, with such claims being subject to the policy hijacking excess.

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