

# MOTOR INDUSTRY RISKS SECTION

This wording is to be read in conjunction with the Motor General wording. The definitions, compulsory conditions, specific exclusions and clauses of the Motor General wording also apply to this section, unless specifically stated otherwise.

## DEFINITIONS

### Customers' Vehicles

This means any Vehicle in the custody or control of the Insured that is not the property of the Insured.

### Dealer Stock

This means any Vehicle the property of the Insured that is for sale.

### Demonstration

This means the act of showing and explaining aspects of a Vehicle insured under this section by the Insured, director or permanent employee of the Insured to a prospective Vehicle buyer.

### Insured Vehicle

This means any Vehicle the property of or in the custody or control of the Insured (excluding any Vehicle the property of the Insured and hired or sold under a hire purchase or suspensive sale or other deferred ownership agreement unless such Vehicle is in the custody or control of the Insured at the time of the Event out of which any claim arises) and any Vehicle (mechanically-propelled or otherwise) attached to any aforementioned Vehicle for the purposes of being towed or salvaged.

### New Dealer Stock

This means Dealer Stock that is for sale for the first time since it has been manufactured

### Own Vehicle

This means any Vehicle the property of the Insured that is not for sale.

### Purchase Price

This is the price that the Vehicle was purchased for plus any additional expenditure to repair it or to increase the value thereof.

### Retail Value

1. For Vehicles listed in the TransUnion dealers' guides:

This means the published retail value adjusted according to the guide's recommendations for odometer reading, overall condition, factory fitted and aftermarket extras at the time of the loss or damage.

2. For Vehicles, Vehicle types and extras not listed in the TransUnion dealers' guides:

This means the average retail value based on a minimum of 3 quotations obtained from the motor dealer market for a similar Vehicle of the same make and model in similar condition at the time of the loss or damage.

### Sub-Contractor

This means any person or business not employed by the Insured who does work for or on behalf of the Insured.

### Test Drive

This means the driving of a Vehicle with the purpose of judging its performance or quality when one considers buying such a Vehicle.

## Trade Value

1. For Vehicles listed in the TransUnion dealers' guides:

This means the published Trade Value adjusted according to the guide's recommendations for odometer reading, overall condition, factory fitted and aftermarket extras at the time of the loss or damage.

2. For Vehicles, Vehicle types and extras not listed in the TransUnion dealers' guides:

This means the average Trade Value based on a minimum of 3 quotations obtained from the motor dealer market for a similar Vehicle of the same make and model in similar condition at the time of the loss or damage.

## Used Dealer Stock

This means Dealer Stock with one or more previous owners.

## Write-Off

This means that a Vehicle is damaged so extensively that it is, in the opinion of the Company, not economical to repair.

# COVER INFORMATION

Cover information applies per item as indicated in the schedule.

## Business

The Insured's business is stated in the schedule.

## Premises

For the purpose of this section the word premises is the premises of which the situation is stated in the schedule as well as

- (i) any pavement bordering the Insured's premises of which the situation is stated in the schedule;
- (ii) any premises at which the Insured is performing work provided that such premises are not under the control of the Insured.

## On Insured's premises

The Company shall not be liable under this section in respect of any accident, injury, loss, damage, liability, costs and/or expenses caused, sustained or incurred on the Insured's premises, unless the cover is indicated as "included" in the schedule.

## Not on Insured's premises

The Company shall not be liable under this section in respect of any accident, injury, loss, damage, liability, costs and/or expenses caused, sustained or incurred away from the Insured's premises, unless the cover is indicated as "included" in the schedule.

## Type of cover

Where the schedule reflects type of cover as "third party cover", the liability of the Company under sub-sections 1 and 3 is cancelled.

## Type of Vehicles insured

1. Where the schedule reflects type of Vehicles insured as "all vehicles", it means that the definition of "Vehicle" in the Motor General section is replaced by "any self-propelled conveyance with its accessories and parts permanently fitted thereto, used on land that does not run on rails and any trailer".
2. Where the schedule reflects type of Vehicles insured as "motorcycles", it means that the definition of "Vehicle" in the Motor General section is replaced by "any Vehicle used on land with two or more wheels

with its accessories and parts permanently fitted thereto that is designed to be driven by the type of controls usually fitted to a motor cycle”.

3. Where the schedule reflects type of Vehicles insured as “special types”, it means that the definition of “Vehicle” in the Motor General section is replaced by “any Vehicle used on land that is manufactured or modified for specific commercial purposes such as digging, fire fighting, lifting, loading, earth moving and the like and which are operated by skilled and trained operators with its accessories and parts permanently fitted thereto”.

## Own Vehicles

Where the schedule reflects Own Vehicles as “excluded” it means that Own Vehicles are not covered by this section.

## Customers’ Vehicles

Where the schedule reflects Customers’ Vehicles as “excluded” it means that Customers’ Vehicles are not covered by this section.

## Dealer stock

Where the schedule reflects Dealer stock as “excluded” it means that New Dealer Stock and Used Dealer Stock are not covered by this section.

# SUB-SECTION 1 – DAMAGE TO THE INSURED VEHICLE

## DEFINED EVENTS

Loss of or damage to any Insured Vehicle as described in the schedule.

Provided that:

- (a) the Company shall not be liable for loss of or damage to any Insured Vehicle while on any premises owned, used or occupied by the Insured where such loss or damage results from fire, lightning and thunderbolt, earthquake, explosion, storm, wind, water, hail or snow;
- (b) the Company shall not be liable for loss of or damage to any Insured Vehicle while on any premises owned, used or occupied by the Insured where such loss or damage results from theft, hijack, armed robbery or any attempt thereat;
- (c) where the Insured Vehicle is Used Dealer Stock, the liability of the Company is limited to the least of:
  - (i) the amount stated in the schedule under the heading “maximum insured amount any one Vehicle”, or
  - (ii) the Purchase Price of the Vehicle, or
  - (iii) the Trade Value of the Vehiclefor any one Event;
- (d) where the Insured Vehicle is New Dealer Stock, the liability of the Company is limited to the lesser of:
  - (i) the amount stated in the schedule under the heading “maximum insured amount any one Vehicle”, or
  - (ii) the Purchase Price of the Vehiclefor any one Event;
- (e) where the Insured Vehicle is a Customer’s Vehicle or Own Vehicle, the liability of the Company is limited to the lesser of:
  - (i) the amount stated in the schedule under the heading “maximum insured amount any one Vehicle”, or
  - (ii) the Retail Value of the Vehiclefor any one Event;
- (f) in the event of any Vehicle part being unobtainable in the Republic of South Africa as a standard (ready manufactured) article the liability of the Company shall be discharged by the payment of an amount equal to the value of such part (including the reasonable cost of freight) at the time of the accident but not in any case exceeding such part’s price as stated in the manufacturer’s last issued catalogue or price list;

- (g) the Company may, at its own option, repair, reinstate or replace such Vehicle or any part thereof and/or its accessories and parts or may pay in cash the amount of the loss or damage, subject to the Company's maximum liability as stated in proviso's (c), (d) and (e);
- (h) if, to the knowledge of the Company, the Vehicle is the subject of a suspensive sale or similar agreement, the Company shall make payment to the owner described therein whose receipt shall be a full and final discharge of the Company's obligation to the Insured in respect of such loss or damage. This provision shall only apply to Vehicles the property of the Insured;
- (i) in the event of damage limited to only the windscreen, side or rear glass forming part of any Vehicle, the Insured shall be responsible for the first amount payable applicable to motor glass stated in the schedule for each and every Event.

## EXCLUSIONS TO SUB-SECTION 1

The Company shall not be liable to pay for:

1. consequential loss as a result of any cause whatsoever;
2. depreciation in value whether arising from repairs following a Defined Event or otherwise;
3. wear and tear;
4. gradual deterioration;
5. mechanical, electronic or electrical breakdowns, failures or breakages;
6. damage to tyres by application of brakes or by road punctures, cuts or bursts;
7. damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;
8. detention, confiscation or requisition by customs or other officials or authorities, provided that this exception shall not apply to damage occurring during such detention, confiscation or requisition which is discovered on return of the Vehicle to the Insured;
9. damage to Vehicles caused by its undergoing any heating or drying process;
10. damage to Vehicles caused by any process necessarily involving the use or application of water.

## EXTENSIONS TO SUB-SECTION 1

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

### **Fire extinguishing charges** (if stated as included in the schedule)

The Company will pay in addition to the Vehicle insured amount any costs up to the insured amount stated in the schedule relating to the extinguishing or fighting of fire (including replacement or refilling of Insured's fire extinguishers after being used in connection with the Insured Vehicle).

Provided that:

- (a) the Insured is legally liable for such costs;
- (b) the Insured Vehicle was on fire or in danger of fire.

### **Fire and perils - on Insured's premises** (if stated as included in the schedule)

Proviso (a) of the Defined Events of sub-section 1 is hereby cancelled.

Provided that:

- (a) the liability of the Company shall be the lesser of the insured amount (accumulated value across all premises for this item) stated in the schedule and the total of the amounts under (i) to (iii) below:
  - (i) for Used Dealer Stock, the lesser of the Purchase Prices or Trade Values;
  - (ii) for New Dealer Stock, the Purchase Prices;
  - (iii) for Own Vehicles and Customer's Vehicles, the Retail Values ;

- (b) for the purpose of this extension, the definition of Event shall be an Event or series of Events arising from one cause in respect of which indemnity is provided by this insurance;
- (c) the insured amount shall apply per Event;
- (d) Vehicles outside of buildings are not covered by this extension unless the schedule indicates Vehicles in the open as "Included";
- (e) Vehicles in buildings with thatch construction are always excluded;
- (f) the Insured shall be responsible for the first amount payable stated in the schedule for each and every Event;
- (g) if, at the time of a Defined Event, the insured amount is less than the total value of all Insured Vehicles on the premises as calculated in proviso (a)(i), (ii) and (iii) above, the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. The value of the claim will be calculated as follows:  $\text{insured amount} / \text{total value at risk} \times \text{loss}$ .

**Keys** (if stated as included in the schedule)

The Company will indemnify the Insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any Insured Vehicle following upon the loss of or damage to any key or alarm controller of such Vehicle, or following upon damage to the Vehicle's locks in order to gain forced access to the Vehicle, or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller.

Provided that:

- (a) no other damage has been caused to the Vehicle giving rise to a claim under the policy;
- (b) the Company's liability shall not exceed the insured amount stated in the schedule for any one Event;
- (c) the Insured shall be responsible for the first amount payable stated in the schedule for each and every Event;
- (d) the Company shall not be liable for the loss of keys from any premises owned or occupied by the Insured unless the keys are lost in an armed robbery.

**Loss of use of Customers' Vehicles** (if stated as included in the schedule)

In the event of the Company being liable to indemnify the Insured under sub-section 1 of this section in respect of loss of or damage to any Insured Vehicle the property of a customer whilst in the custody or control of the Insured, the Company will indemnify the Insured notwithstanding anything contained to the contrary in exclusion 1 of the sub-section 1 of this section against all sums which the Insured shall become legally liable to pay as compensation for loss of use of such Vehicle.

Provided that the Company's liability shall not exceed the insured amount stated in the schedule for any one Event.

**Loss of use of Own Vehicles** (if stated as included in the schedule)

Notwithstanding exclusion 1 of sub-section 1, the Company will indemnify the Insured for the loss of use of the Insured's Own Vehicles following loss or damage.

Provided that:

- (a) the loss or damage to the Vehicle is covered in terms of this policy;
- (b) where the Vehicle is
  1. stolen or hijacked and not recovered, or
  2. recovered with no damage, or
  3. a Write-off
 cover will only commence once a claim has been registered with the Company;
- (c) where the Vehicle is
  1. damaged, or
  2. stolen or hijacked and recovered with damage
 cover will only commence once the authorised repairer takes custody of the Vehicle to do the repair work;

- (d) the indemnity period will expire on the date of completion of repairs by the authorised repairer or on the day the Agreement of Loss is forwarded from the Company to the Insured;
- (e) loss or damage falling within the applicable first amount payable is not covered in terms of this extension;
- (f) the Company shall not indemnify the Insured for any period that exceeds the number of days stated in the schedule for any one Event, regardless of proviso (d) above;
- (g) the Company's liability per day shall not exceed the insured amount (per day) stated in the schedule;
- (h) this extension shall not apply to Dealer Stock.

### **Motor glass** (if stated as included in the schedule)

- 1. Where the schedule indicates this extension as not included, the Company shall not be liable for damage to any windscreen, side or rear glass forming part of any Vehicle.
- 2. Where the schedule indicates this extension as included, the Insured shall be responsible for the first amount payable applicable to motor glass stated in the schedule for each and every Event. Provided that the damage is limited to the windscreen, side or rear glass of the Vehicle.

### **Riot and strike (other than RSA and Namibia)** (if stated as included in the schedule)

Subject otherwise to the terms, conditions, exclusions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- 1. civil commotion, labour disturbances, riot, strike or lockout;
- 2. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any Event referred to in 1 above.

Provided that this extension does not cover:

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

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

The liability of the Company per Event is limited to the smallest of the insured amount stated in the schedule and:

- (i) for Used Dealer Stock, the Purchase Price or Trade Value;
- (ii) for New Dealer Stock, the Purchase Price;
- (iii) for Own Vehicles and Customer's Vehicles, the Retail Value.

The Insured shall be responsible for the first amounts payable stated in the schedule under sub-section 1.

### **Theft - on Insured's premises** (if stated as included in the schedule)

Proviso (b) of the Defined Events of sub-section 1 is hereby cancelled.

Provided that:

- (a) the liability of the Company shall be the lesser of the insured amount stated in the schedule and the total of the amounts under (i) to (iii) below:
  - (i) for Used Dealer Stock, the lesser of the Purchase Prices and Trade Values;
  - (ii) for New Dealer Stock, the Purchase Prices;



- (iii) for Own Vehicles and Customer's Vehicles, the Retail Values;
- (b) for the purpose of this extension, the definition of Event shall be an Event or series of Events arising from one cause in respect of which indemnity is provided by this insurance;
- (c) Vehicles outside of buildings are not covered by this extension unless the schedule indicates Vehicles in the open as "included";
- (d) the Insured shall be responsible for the first amount payable stated in the schedule for each and every Event;
- (e) loss or damage to accessories or parts by theft is excluded unless the Vehicle is stolen at the same time.

### **Towing costs within the borders of RSA** (if stated as included in the schedule)

Where a Defined Event occurs inside the RSA, the Company will pay the reasonable cost of removal of the Insured Vehicle to the nearest Santam approved repairer within the RSA as well as the reasonable cost of protection, storage and delivery of the Insured Vehicle to the permanent address of the Insured within the territorial limits stated in the schedule after a Defined Event occurred.

### **Towing costs outside the borders of RSA** (if stated as included in the schedule)

Where a Defined Event occurs outside the RSA, the Company will pay the cost of removal of the Insured Vehicle to the nearest border of the RSA or place of safety.

Provided that:

- (a) the Company's liability shall not exceed the insured amount stated in the schedule for any one Event;
- (b) if the Insured Vehicle cannot be repatriated to the RSA on the grounds that the Vehicle is a Write-Off, the Company will deduct 15% from the settlement due to the Insured;
- (c) the Company shall not be liable to pay for government imposed duties, charges or stamps relating to the repatriation of the Vehicle.

The Company will also pay the reasonable cost of

1. moving the Vehicle from the RSA border to the nearest Santam approved repairer within the RSA;
2. protection, storage and delivery of the Insured Vehicle to the permanent address of the Insured within the territorial limits stated in the schedule

after a Defined Event occurred.

### **Wreckage removal** (if stated as included in the schedule)

The Company will, in addition to the Vehicle insured amount, indemnify the Insured for any costs relating to the clearing up and removal of debris and wreckage of the Insured Vehicle following a Defined Event, provided that the Company's liability shall not exceed the insured amount stated in the schedule for any one Event.

## **SUB-SECTION 2 – LIABILITY TO THIRD PARTIES**

### **DEFINED EVENTS**

The Company will indemnify the Insured in respect of any accident caused by or through or in connection with any Vehicle described in the schedule or in connection with the loading and/or unloading of such Vehicle in respect of which the Insured and/or any passenger becomes legally liable to pay all sums including claimant's costs and expenses in respect of:

- (a) death of or bodily injury to any person;
- (b) damage to property.

The Company will also:

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this sub-section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any Event which may be the subject of indemnity under this sub-

section;

2. indemnify any person who is driving or using such Vehicle on the Insured's order or with the Insured's permission.

Provided that:

- (a) such person shall, as though he were the Insured, observe, fulfil and be subject to the terms, exclusions and conditions of this insurance in so far as they can apply;
  - (b) such person driving such Vehicle has not been refused any motor insurance or continuance thereof by any company;
  - (c) such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder.
3. indemnify the Insured in respect of liability arising from the towing by a Vehicle (other than for reward) of any other Vehicle or trailer (including liability in connection with the towed Vehicle or trailer), provided the Company shall not be liable for damage to the towed Vehicle or trailer or to property therein or thereon.

The Company's liability under sub-section 2 shall not exceed the insured amount stated in the schedule for any one Event.

## EXCLUSIONS TO SUB-SECTION 2

The exclusions – liability to third parties on the Motor General section apply in addition to the exclusions stated here.

The Company shall not be liable for:

1. death of or bodily injury to any person being carried in or upon or entering or getting onto or alighting from any Insured Vehicle.

## EXTENSIONS TO SUB-SECTION 2

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

### **Passenger liability for motor industry risks** (if stated as included in the schedule)

Exclusion 1 of sub-section 2 is hereby cancelled.

Provided that:

- (a) the Company's liability shall not exceed the insured amount stated in the schedule for any one Event;
- (b) the Company shall only be liable for death of or injury to persons being carried in or upon or entering or getting onto or alighting from the permanently enclosed passenger-carrying compartment of the Insured Vehicle;
- (c) the Company shall not be liable under this extension if the territorial limitation in the schedule under this extension indicates "Inside RSA " and the Defined Event takes place outside the borders of the RSA.

### **Unauthorised passenger liability** (if stated as included in the schedule)

The indemnity under sub-section 2, notwithstanding exclusion 1 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.

Provided that:

- (a) the Company's liability shall not exceed the insured amount stated in the schedule any one Event.



## SUB-SECTION 3 – INSURED VEHICLE OCCUPANTS

Cover under this sub-section only applies if stated in the schedule as included.

### **Driver repatriation** (if stated as included in the schedule)

If a claim is admitted under sub-section 1 and the Insured Vehicle is disabled as a result of the loss or damage, the Company will indemnify the Insured for:

1. the reasonable expenses necessarily incurred for overnight accommodation for the driver for a maximum of two nights;
2. transport of the driver of the Vehicle at the time of the loss or damage, from the place at which the Vehicle became disabled to the driver's normal place of residence in the RSA or intended destination, or point of departure on this journey.

Provided that:

- (a) the driver's destination, place of residence and point of departure on this journey are all more than 100 kilometres away from the place at which the Vehicle became disabled;
- (b) the Company's liability shall not exceed the insured amount stated in the schedule for any one Event.

### **Medical expenses** (if stated as included in the schedule)

If an occupant of an Insured Vehicle, in direct connection with such Vehicle, sustains bodily injury by violent, accidental, external and visible means, the Company will pay to the Insured the medical expenses incurred as a result of such injury, including any costs incurred to free such injured occupant from such Vehicle or to bring such injured occupant to a place where medical treatment can be given.

Provided that

- (a) the Company's liability per occupant shall not exceed the insured amount stated in the schedule;
- (b) the Company's liability per Event shall not exceed the insured amount stated in the schedule;
- (c) the cover is limited to occupants of a private motor car or the permanently enclosed passenger carrying compartment of any other Vehicle;
- (d) the amount payable under this cover shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.

### **Trauma** (if stated as included in the schedule)

The Company will pay for expenses incurred, not otherwise covered, by any member, director or employee of the Insured undergoing treatment by a registered professional counsellor following such person being psychologically traumatised as a direct result of violence or threat of violence during theft, attempted theft or hijack of any Insured Vehicle, provided that the Company's liability shall not exceed the insured amount stated in the schedule for any one Event.

## EXTENSIONS APPLICABLE TO ALL SUB-SECTIONS

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

### **Casual Drivers** (if stated as included in the schedule)

Notwithstanding the compulsory condition "use of the Insured Vehicle", the Company will indemnify the Insured when the Insured Vehicle is used for the business purposes of the Insured by any person not permanently employed by the Insured who is not a Sub-Contractor of the Insured. Provided that the Company shall not be liable if any such person uses the Vehicle for social, domestic and pleasure purposes.

## **Demonstration risk** (if stated as included in the schedule)

Notwithstanding the compulsory condition “use of the Insured Vehicle”, the Company will indemnify the Insured when the Insured Vehicle is used for purposes of Demonstration which shall include driving by the person to whom the Insured Vehicle is being demonstrated provided that such person is accompanied by a fully licensed driver who shall be either the Insured or a member, director or employee of the Insured.

## **Social, domestic and pleasure use by the Insured and employees** (if stated as included in the schedule)

Notwithstanding the compulsory condition “use of the Insured Vehicle”, the Company will indemnify the Insured when the Insured Vehicle is used for social, domestic and pleasure purposes by the Insured or a member, director or employee of the Insured, provided that the name, surname and date of birth of such person appear in the schedule.

## **Sub-contractors** (if stated as included in the schedule)

Notwithstanding compulsory condition “use of the Insured Vehicle”, the Company will indemnify the Insured when the Insured Vehicle is used for the business purposes of the Insured by any Sub-Contractor of the Insured.

Provided that:

- (a) for the purposes of this extension only, any Vehicle that the Insured hands over to its Sub-Contractor shall be deemed to be in the custody or control of the Insured for as long as it remains in the custody and control of such Sub-Contractor;
- (b) the Company shall not be liable if any such person uses the Vehicle for social, domestic and pleasure purposes.

## **Territories – extended cover** (if stated as included in the schedule)

The standard territorial limits stated in the Motor General schedule are hereby extended to include the countries stated as included under this extension in the schedule.

## **Test drive risk** (if stated as included in the schedule)

Notwithstanding compulsory condition “use of the Insured Vehicle”, the Company will indemnify the Insured when the Insured Vehicle is used for Test Drive purposes.

Provided that the Company shall not be liable:

- (a) if the person test driving the Vehicle absconds with it;
- (b) if the Vehicle is not returned to the Insured within 72 hours after being taken for the Test Drive.

## **Unauthorised use by employees** (if stated as included in the schedule)

Specific exclusion 1 is hereby cancelled.

# **SPECIFIC EXCLUSIONS**

The specific exclusions of the Motor General section apply in addition to the specific exclusions stated here.

The Company shall not be liable under this section:

1. if the Insured Vehicle is used for any unauthorised purpose by an employee of the Insured or by any other person with whom such employee is or was in collusion;
2. for damage to any Insured Vehicle or any other property sustained while it is being worked upon and directly resulting from such work;
3. for any defective workmanship or any consequence thereof.

# **COMPULSORY CONDITIONS**

The compulsory conditions in the Motor General section as well those stated below, always apply.

## Annual declarations

Prior to the renewal date, the Insured shall submit to the Company the number and total value of all Dealer Stock Vehicles as well as the number of technicians employed by the Insured. This information will be used by the Company in its renewal calculations.

## Employee register

It is a condition precedent to any liability of the Company under this section that the Insured shall record in a proper register the name of every employee together with his/her residential address, telephone number and a legible copy of the person's driver's licence as well as the date of engagement and of discharge of each employee.

## Reasonable care

In addition to complying with General Condition 5 of this policy

1. the Insured shall take all reasonable steps to maintain any Insured Vehicle in an efficient and roadworthy condition;
2. all reasonable steps shall in the event of any accident or breakdown be taken to prevent further damage or loss and if the Insured Vehicle which is involved be driven or used before the necessary repairs are effected, any extension of the damage or any further damage to such Insured Vehicle shall be entirely at the Insured's own risk.

## Use of the Insured Vehicle

When the Insured Vehicle is not on the Insured's premises or any other premises where work is performed on the Insured Vehicle, the Company shall only be liable under this section if the Insured Vehicle is used:

- (a) for the business purposes of the Insured stated in the schedule by the Insured or any member, director or employee of the Insured;
- (b) for social, domestic and pleasure purposes by any person other than the Insured or any member, director or employee of the Insured, whether such use is incidental to the business of the Insured or not.

## CONDITIONS

Conditions only apply if stated in the schedule as "applicable".

### Audio and/or visual equipment limitation (if stated as applicable in the schedule)

The Company will indemnify the Insured in respect of loss or damage to any audio, audio-visual, telephone and navigation equipment permanently fitted to the Insured Vehicle by someone other than the Vehicle manufacturer.

Provided that:

- (a) the Company's liability shall not exceed the insured amount stated in the schedule for any one Event;
- (b) the Insured shall be responsible for the first amount payable stated in the schedule for each and every Event.

The Company will also indemnify the Insured in respect of any such equipment which has been removed from the Vehicle.

Provided that:

- (a) the equipment is designed to be removed or partly removed;
- (b) the equipment cannot function without the Vehicle.

### **Burglar alarm on the Insured's premises** (if stated as applicable in the schedule)

The Company shall only be liable for loss or damage to any Insured Vehicle as a result of theft or attempted theft from the Insured's premises if such premises is fitted with a burglar alarm linked to a security firm which provides an armed response service.

Provided that:

- (a) the burglar alarm is activated outside the normal business hours of the Insured;
- (b) the burglar alarm is in a working condition at the time of the loss.

### **Hail nets** (if stated as applicable in the schedule)

The Company shall not be liable for hail damage to Vehicles in the open on any premises occupied by the Insured unless such Vehicles are protected by hail nets.

### **Keys after business hours** (if stated as applicable in the schedule)

The Company shall not be liable for theft of Vehicles after normal business hours from any premises occupied by the Insured unless the keys were removed from the Vehicle at the time of the theft and locked away in a safe inside a building.

### **Keys during business hours** (if stated as applicable in the schedule)

The Company shall not be liable for theft of Vehicles during normal business hours from any premises owned or occupied by the Insured.

Provided that this condition shall not apply:

- (a) if the keys were locked away at the time of the theft if not carried on the person of the Insured or any employee of the Insured;
- (b) in case of an armed robbery.

### **Security guard on the Insured's premises** (if stated as applicable in the schedule)

The Company shall only be liable for loss or damage to any Insured Vehicle as a result of theft or attempted theft from any premises occupied by the Insured if the Insured has an adequate number of security guards from a registered security firm on the premises at all times.

### **Vehicle tracking and recovery requirement** (if stated as applicable in the schedule)

The Company shall not be liable for theft, hijack or any attempt thereof of any Insured Vehicle the property of the Insured, unless

- (i) the Vehicle is fitted with a Santam approved tracking device, and
- (ii) a legal contract exists between the Insured and the Vehicle tracking service provider, and
- (iii) the subscription fees are paid up to date, and
- (iv) the Vehicle tracking service provider includes a stolen Vehicle recovery service

at the time of such theft, hijack or any attempt thereof.

## **OPTIONAL EXCLUSIONS AND LIMITATIONS**

These are exclusions or limitations of the cover provided by the section that only apply if indicated as such in the schedule.

### **Fraud exclusion** (if stated as applicable in the schedule)

The Company shall not be liable for loss of or damage to any Vehicle which arises from or in connection with any exchange, cash or credit sale agreement, including theft under false pretence and/or fraud.