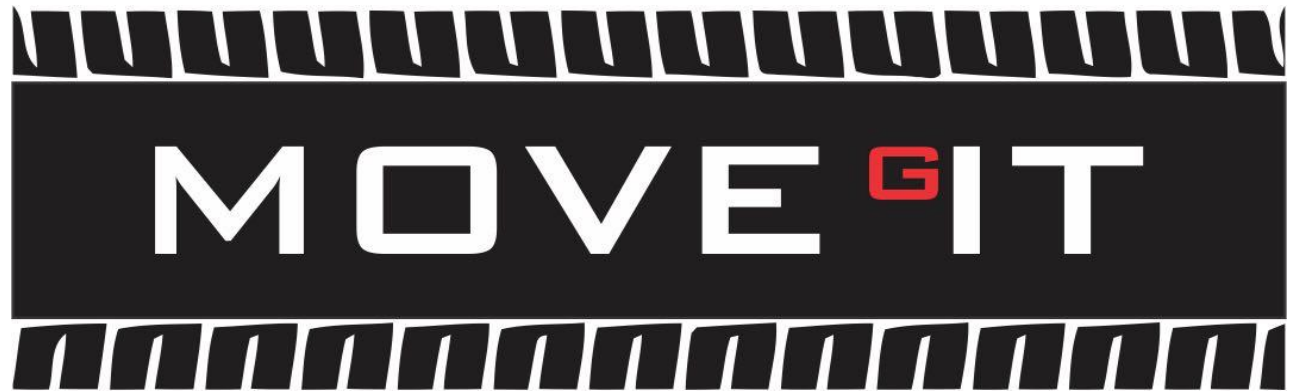


MOVE GIT





TRANSPORTER GOODS IN TRANSIT POLICY

(Registration No. 2004/018469/07)

PREAMBLE

The "Carrier" hereinafter referred to as "You".

Subject to the terms, exceptions, conditions and provisions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by You and receipt thereof by or on behalf of Compass Insurance Company Limited ("the Insurer"), the Insurer agrees to indemnify or compensate You by payment or, at the option of the Insurer, by replacement, reinstatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under the sections up to the sums insured, limits of indemnity, compensation and other amounts specified. The Insurer is represented by Transit Underwriting Managers (Pty) Ltd. Specific exceptions, conditions and provisions shall override general exceptions, conditions and provisions.

This Policy provides insurance only for Goods carried by Road.

This Policy covers You by virtue of your interest for physical loss of or damage to the Goods whilst placed into your care, custody, or possession as a Bailee.

The Goods will be insured only whilst In Transit if the Goods have been placed into your care, custody, or possession by the Goods Owner or the party with an interest in the Goods. The Goods Owner, his agent or any other person acting with his, her or its authority, must provide a written Contract of Carriage entered into between You and the Goods Owner to that effect in the absence of a written Contract of Carriage, a waybill or similar document must be supplied by the Goods Owner.

DEFINITIONS AND INTERPRETATION

In this Policy:

1. **"Bailee"** means an individual or entity (as a business organization) having possession of another's personal property under a bailment;
2. **"Carrier"** means the party named in the Policy Schedule as such who is You and is the bailee and/or deemed to be the bailee of the Goods placed into its care, custody and possession in terms of a written Contract of Carriage;
3. **"Carrying Vehicle"** means the Vehicle actually carrying the Goods and which is specified or referred to in the Policy Schedule unless specifically noted otherwise on the policy schedule; "

4. **"Contract of Carriage"** means a contract for the carriage of Goods entered into between You and the Goods Owner evidenced by any Standard Trading Conditions with particular reference to responsibility for insurance cover or any written communication from the Goods Owner to You requesting that You take the Goods into Your care, custody, or possession and will include, without limitation, a waybill, a delivery note, a load confirmation order, or any agreement whereby You agree to be responsible for physical loss or damage to the Goods whilst in Your care, custody, or possession;
5. **"Day"** means a calendar day;
6. **"Event"** means any event or occurrence that may lead to a claim under this Policy;
7. **"Goods"** means the subject-matter insured as reflected in the Policy Schedule placed into Your care, custody, or possession in accordance with a Contract of Carriage to that effect and which are otherwise not excluded by the terms and conditions of the Policy or the Policy Schedule;
8. **"Goods Owner"** means the person that has contracted with You, and any person for whom that person has authority to act, including, but not limited to, a consignee, a consignor or any party that owns the Goods or has risk in and to the Goods or an interest in the Goods;
9. **"Haulage Fees"** means the income earned by You for the transport of the Goods and shall include income earned for sub-contracting goods to approved sub-contractors.
10. **"In Transit"** means the time from when the Goods come into Your care, custody, or possession up to and including the completion of the unloading of the Goods from any Vehicle (but only if undertaken by or on behalf of You); until delivered to the consignee or his agents including, if applicable, storage in the course of such transit but not exceeding a total of 72 (seventy two) hours unless the prior agreement of the Insurer has been given in writing;
11. **"Insured"** means You, the Carrier or Transporter;
12. **"Insurer"** means Compass Insurance Company Limited;
13. **"National Road Traffic Act"** means the National Road Traffic Act, 1996 (Act No. 93 of 1996) as amended from time to time;
14. **"Parties"** means You and/or the Insurer and/or Goods Owner and "Party" means, as the context requires, any one of them;
15. **"Policy"** means the terms and conditions of this Policy and includes the terms and conditions contained in the Policy Schedule and all other schedules, endorsements, appendices or annexures annexed to the Policy or the Policy Schedule;
16. **"Policy Schedule"** means the Schedule attached to and included in this Policy setting out, inter alia, the identity of You, the limits of cover, the exclusions, and the excesses;
17. **"Standard Trading Conditions"** means Your standard terms and conditions of carriage;
18. **"Sub-contractor"** means a sub-contracted carrier that carries the Goods and has been nominated and appointed by You.
19. **"Vehicle"** means any vehicle which is a "Goods Vehicle" as defined in Regulations made under the National Road Traffic Act, 1996 (Act No. 93 of 1996) as amended from time to time, and includes any trailer drawn by or attached to the Vehicle.

THIS IS NOT A CARRIER'S LEGAL LIABILITY POLICY TO THE GOODS OWNER FOR LOSS OF OR DAMAGE TO GOODS, WHETHER BY BREACH OF CONTRACT OR NEGLIGENCE.

Any premium due in terms of this Policy is payable by You and may not be collected from the Goods Owner as premium" but may be invoiced as part of Your general Freight Costing.

ARBITRATION CLAUSE: The Insurer may elect that any dispute under the Policy shall be determined by arbitration and in accordance with the laws of the Republic of South Africa.

SOUTH AFRICAN LAW, PRACTICE AND JURISDICTION: This Policy is subject to South African law, practice and jurisdiction.

1. Commencement of Insurance

- 1.1.** Monthly paid policies; cover commences from the inception date as stipulated in the Policy Schedule and continues for every subsequent month for which the Insurer accepts premiums to renew, until cancelled subject to the Cancellation Clause herein.
- 1.2.** Annual policies; cover commences from the inception date as stipulated in the Policy schedule and continues until expiry of cover on the renewal date as stipulated in the Policy Schedule.
- 1.3.** Facultative policies; cover remains in force during the period of the facultative sending stipulated in the Policy Schedule.
- 1.4.** Quarterly or Bi-Annual policies; cover commences from the inception date as stipulated in the policy schedule and is renewed automatically for the periods stipulated in the policy schedule, subject to the payment of the premium to Insurer.

2. General Conditions

This Policy and the Policy Schedule together with any endorsements shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of this Policy or of the Policy Schedule shall bear the same meaning wherever it may appear.

The descriptive headings and annotations to the clauses, terms, conditions, limitations and exclusions of this Policy do not form part of the wording of this Policy and the Policy shall not be construed with the addition of or as including these descriptive headings and annotations.

The benefit of this insurance shall not accrue (either directly or indirectly) by contract or by operation of law to any sub-contractor (whether in direct contractual relationship with You or not) or any servants or agents of such sub-contractor or any Insurers of any of them.

3. Contract

You have made a written application for insurance which shall form the basis of this contract and shall be considered as being incorporated herein applied to Transit Underwriting Managers, as representatives for the Insurer, for the insurance hereinafter contained and having paid or agreed to pay the premium as consideration for such insurance for the period specified in the attached Policy Schedule or for any subsequent period for which the Insurer may accept payment for the renewal of this Policy.

4. Risks Insured

Cover shall be in respect of physical loss of or damage to the Goods whilst conveyed by Carrying Vehicles stipulated in the Policy Schedule, as per instruction from the Goods Owner or their agent(s) or the sub-contractor(s) acting on their behalf, with You agreeing to accept such risk whilst in Your care, custody or possession prior to commencement of transit. The contract of insurance between the Insurer and You will only come into effect when You have, prior to transit commencing, entered into a valid Contract of Carriage. If no such Contract of Carriage exists, then no insurance cover shall exist.

4.1. New Goods (including new Goods collected from harbours, docks, container depots, railway stations, or airports and new Goods for which this insurance is for the continuation of a prior transit).

This insurance covers all risk of physical loss of or damage to the Goods unless specifically excluded herein.

Excluding (unless caused by a risk insured against):

- (1) rust, oxidation and discoloration;
- (2) scratching, denting, chipping and marring of paintwork on unprotected items;
- (3) mechanical and/or electrical and/or electronic derangement;
- (4) shifting of Goods during transit caused by an insufficiency of packing of the goods including but not limited to lashing and strapping.

4.2. Load Shift Extension (Only covered if specifically included in the policy schedule)

Cover is extended to include loss or damage of the goods (without being caused by a peril insured against), subject to the goods being sufficiently packed / strapped, to withstand the normal hazards of transit.

Cover is subject to the On-Road Solutions Call Centre being notified immediately at the time of incident occurring

Subject to underlying policy excess.

4.3. Contamination extension (only covered if specifically included in the policy schedule)

Cover is extended to include contamination of the goods subject to the following: -

- 4.3.1. Wash bay certificate to be provided in the event of a contamination claims
- 4.3.2. The loading and the off-loading of the product is Your responsibility and under Your direct control

In the event that the product is pumped into the incorrect tank, Insurers will only be responsible for the loss and/or damage to Your product that was incorrectly pumped.

Insurers do not cover any third-party products or third-party liability claims.

Insurers do not cover any consequential loss howsoever caused.

Additional Excess applicable: 5% of claim

4.4. Temperature Controlled Goods:

Cover is extended to include deterioration of the Goods as a direct result of:

- 4.4.1. any variation in temperature, following the breakdown and/or malfunction of the refrigeration machinery or ancillary equipment, for a period of at least 2 (two) consecutive hours.
- 4.4.2. the incorrect setting of the temperature regulating unit for a period of at least 2 (two) consecutive hours, **provided this extension has been specifically included in the Policy Schedule** prior to commencement of transit and the responsibility for setting the temperature rests with You alone.

Warranted that:

- 4.4.3. You will be responsible for the maintenance and servicing of refrigeration machinery and its ancillary equipment, as per manufacturers and/or agents' specifications. Evidence of such maintenance and servicing shall be provided at the request of the Insurer;
- 4.4.4. the burden of proving such variation in temperature, breakdown, malfunction or incorrect setting (if applicable) rests with You;
- 4.4.5. this extension does not apply to any deterioration of the Goods conveyed within **refrigerated or ventilated shipping containers** which are not owned by You.

4.5. ISO Shipping Containers used and/or second-hand and/or reconditioned and/or refurbished Goods

The insurance of Goods mentioned in this clause is restricted to:

- 4.5.1. the risks of fire, collision and overturning of the carrying Vehicle plus theft following fire, collision and overturning of the Carrying Vehicle.; and
- 4.5.2. hijacking and armed robbery and theft of an entire load of Goods provided the Carrying Vehicle and Goods are actively tracked via satellite tracking throughout the period that the Goods are In Transit

Unless a pre-shipment survey of the Goods has been undertaken by a suitable independent technical expert appointed and paid for by the Goods Owner and such survey report has been provided to the Insurer via their representatives prior to the Goods being In Transit, in which case the Goods will be covered in terms of the "New Goods" Clause.

4.6. Live Animals

This insurance covers loss or death, including euthanasia (within 48 hours from the occurrence) as a direct result of:

- 4.6.1. Fire, explosion, lightning, volcanic eruption or earthquake;
- 4.6.2. Collision of the conveying vehicle Overturning of the Carrying Vehicle;
- 4.6.3. hijacking and armed robbery and theft of an entire load of Goods provided the Carrying Vehicle and Goods are actively tracked via satellite tracking throughout the period that the Goods are In Transit
- 4.6.4. Bolting following any of the aforementioned events.

4.7. Restricted Cover (if stipulated in the Policy Schedule):

This insurance covers physical loss of or damage to the Goods as a direct result of:

- 4.7.1. Fire, explosion, lightning, volcanic eruption or earthquake;
- 4.7.2. Collision of the Carrying Vehicle;
- 4.7.3. Overturning of the Carrying Vehicle;
- 4.7.4. hijacking and armed robbery and theft of an entire load of Goods provided the Carrying Vehicle and Goods are actively tracked via satellite tracking throughout the period that the Goods are In Transit

4.8. Ropes, Nets, Tarpaulins, Chains, Corner Plates and the like, not being permanent fixtures of the Carrying Vehicle:

This insurance covers physical loss of or damage as a direct result of:

All risk of physical loss or damage excluding wear and tear or pre-existing damage.

5. Limits

As stipulated in the Policy Schedule, the cover provided by this Policy is limited to the limit of indemnity per any one Vehicle, per any one transit, unless otherwise declared and accepted by the Insurer prior to loss. Where separate limits are stipulated in the Policy Schedule (e.g. commodity types), such limits are not cumulative, other than in the case of cover for extras (tarpaulins, ropes, nets, corner plates, toggles and the like) and shipping containers. All limits stipulated in the Policy Schedule are inclusive of VAT and issued on a "First Loss" basis, and therefore not subject to the condition of Average.

6. 6.1. Insured Goods

This Policy covers Goods carried by You on behalf of the Goods Owner (including all packing material, pallets, receptacles, covers, boxes, labels and the like when necessary for commercial purposes) as stipulated in the Policy Schedule.

6.2. Containers

This Policy automatically covers the physical loss of or damage to the ISO Shipping containers, as per the limits reflected on the Policy Schedule, however this Policy does not cover any liabilities arising out of the use of the actual shipping containers.

6.3. Excluded Goods

Unless specifically included in the Policy Schedule: Antiques or antiquities of any description, cellular phones and accessories, copper and copper products, electronic goods (which includes solar panels, inverters, generators, batteries and the like), household goods and personal effects, pre-paid phone cards, tobacco and tobacco products, tinned fish, documents of any description, highly flammable substances, liquor, livestock and game, motor vehicles of any description, tyres.

6.4. Absolute exclusions: Arms, Ammunition, bank and treasure notes, bullion, cash, deeds, designs, explosives, gold and silver articles, jewellery, plans, precious metals or stones, specie, stamps, tickets, travelers' cheques.

7. Carrying Vehicles

Cover is limited to Goods entrusted to You, whilst being carried on mechanically propelled Vehicles and / or its trailers, as specified in the Policy Schedule.

7.1. Security requirements: - Unless specifically noted otherwise on the Policy Schedule.

Tracking Device Requirements – Applicable to all Carrying Vehicles carrying loads with a value exceeding R500,000:

- a) Theft or armed robbery or hijacking is subject to the vehicles being fitted with a tracking device;
- b) At the time of the loss You are to be a fully paid-up subscriber of the said tracking device and the device must be operational;
- c) At all times the device is to be maintained in accordance with the supplier's instructions.
- d) Failing which, all theft or armed robbery or hijacking cover ceases from the moment the Goods are placed on a Carrying Vehicle that does not comply with these requirements.

7.2. Abnormal Loads

This Policy covers all Goods in Your care, custody, or possession (whether as normal or abnormal loads) and declared to and accepted by the Insurer prior to the Goods being In Transit and shall include those Goods reflected in the Policy Schedule that might otherwise have been excluded in terms of the INSURED GOODS above of this Policy, including all packaging materials, labels and the like when necessary for the Goods Owner's commercial purposes.

You acknowledge that certain vehicles and loads cannot be moved on public roads without exceeding the limitation in terms of the dimensions and/or mass as prescribed in the Regulations of the National Road Traffic Act (Act 93 of 1996). Where such a vehicle or load cannot be dismantled without disproportionate effort, expense or risk of damage, into units that can travel or be transported legally, it is classified as an abnormal load.

You warrant that You will obtain all relevant permits for the conveyance of abnormal loads from the appropriate authorities and the Goods will be transported in accordance with the provisions of the said permits and of the National Road Traffic Regulations, 2000, as amended under Section 75 of the National Road Traffic Act, failing which the Insurer shall be entitled to reject any claim.

7.3. Sub-contractors Extension – if specifically included in the Policy Schedule.

- Should You employ a sub-contractor, the sub-contractor shall act as though they are You and observe, fulfill and be subject to the terms and conditions of the Policy insofar as they apply.
- You warrant that the Goods will always remain in Your care, custody or possession or Your Nominated Sub-contractor.
- This Policy only covers the Goods whilst the Goods are In Transit and in Your, or Your Nominated Sub-contractors, care, custody and possession.
- In the event that the Goods are the subject of a further sub-contract beyond a first sub-contract or are in the care, custody and possession of some other party, then the Goods will not be covered from the moment that the Goods are the subject of such further sub-contract or placed in to the care, custody and possession of any other third party.
- You warrant that all Carrying Vehicles of any nominated sub-contractor, will be tracked by GPS (Global positioning System) satellite tracking and recovery system throughout the period that the Vehicle and Goods are In Transit.

8. Geographical Limit

Cover is limited to loss or damage occurring within the geographical areas as stated in the Policy Schedule.

9. Duration of Cover

- 9.1. Cover shall attach upon commencement of loading the Goods onto the Carrying Vehicle at the point of loading, continue throughout the ordinary course of transit and terminates once the Goods is off-loaded at their destination at the consignee's premises. Cover in respect of shipping containers shall remain in force until off- loaded at the stack or delivered to the container depot whichever may be applicable.

9.2. Loss or damage occurring during loading and unloading operations (other than water damage) will be included hereunder, provided such operations are Your responsibility and under Your direct control.

9.3. Notwithstanding the above and provided such commodities are included in the Policy Schedule, any loss or damage arising during loading / unloading of live animals, motor vehicles under own power or rigging and maneuvering of plant and machinery will be excluded absolutely.

9.4. Incidental storage in the ordinary course of transit (not exceeding a maximum period of 72 hours) will be included, provided the goods are kept within a fully enclosed and locked building or guarded security compound.

10. Basis of Claims Settlement

The agreed value of the Goods is specified as follows:

New Goods (other than Inter-Branch Transfers)

Selling price or new replacement value, whichever may be applicable, as is evident from the Good's commercial invoices.

Used and/or second-hand and/or reconditioned and/or refurbished Goods

Second-hand replacement value or local depreciated market value, whichever is the lesser.

Fresh Produce

Pre-Sold Goods: invoiced selling price, as is evident from commercial invoices, less any agents' commissions and costs not incurred.

Consignment Sales: average sales price at the market and on the date of intended sale, less any agents' commissions and costs not incurred.

Inter-Branch Transfers

Manufacturers' Cost Price or Stock Price or Catalogue Price, plus transport costs, whichever may be applicable.

Exported/Imported Goods

Invoice Value at destination as per Contract of Carriage, as evident from commercial invoice, including freight charges, duties, clearing costs and taxes if incurred.

Shipping containers

The original replacement value depreciated at a rate of 5% (five percent) per annum from the date of manufacture, subject to a minimum residual value of not less than 50% (fifty percent) of the original replacement value.

11. General Conditions

11.1. Brand or Trade Marks Clause

In the event of a recoverable claim for damage to Goods bearing brand or trademarks the sale of which carries or implies the guarantee of the supplier or the Goods Owner, the value shall, if required by the Goods Owner be determined only after the removal of such brand or trademarks, and if applicable, re-packing into plain containers. The cost of removal or re-packing shall be borne by the Insurers.

Nothing in this Clause shall be deemed to override the provisions of the Salvage Disposal Clause herein.

11.2. Cancellation

This Policy may be cancelled by either You giving immediate notice, or by the Insurer giving 30 days' notice of cancellation in writing. Such cancellation shall become effective after midnight of the day on which such notice expires. Premium or pro-rata thereof, will continue to be payable for the duration of any such notice period of cancellation.

11.3. Claims preparation costs

Any costs reasonably incurred by You in producing and certifying any particulars or details required by Transit Underwriting Managers (Pty) Ltd or the Insurers to substantiate a claim.

Insurer's liability will not exceed, in respect of any one event, the amount stated in the Policy Schedule.

11.4. Claims Settlement

It is herewith agreed that the Insurer will settle claims subject to the limits, excess and warranties as set out in the Policy Schedule, plus VAT thereon if You are obliged to pay VAT in terms of South African legislation current at the time of settlement. Any settlement under this Policy will be for the benefit of the Goods Owner, their subrogated insurer(s) or any other party, on receipt of written authorization from the Goods Owner or their subrogated insurer(s).

11.5. Cutting

In the event of a claim occurring to the Goods where it is practicable to use the sound portion(s) for its originally intended purpose, the Insurer will only be liable for the proportionate value of the damaged part(s), plus the cost of cutting, less any salvage obtained.

11.6. Debris Removal / On Road Incident Solution Cover – only applicable to Your Carrying Vehicles

This insurance covers, in addition to any other amount recoverable under this insurance, the reasonable costs, legally incurred by You, in respect of the removal and/or disposal of the Goods, including prevention and/or mitigation of pollution or contamination of the environment by the Goods, provided that the Insurer shall not be liable for any amount more than R30,000.00.

The Insurer shall not be liable for any consequential loss or liability to third parties howsoever caused.

11.7. Recovery of Load Costs Clause - only applicable to Your Carrying Vehicles.

The cover under this Policy is extended to include additional costs incurred in connection with Goods conveyed by You which is covered in terms of the Policy consequent upon an insured risk which prevents the Carrying Vehicle from completing or continuing delivery of the Goods to the predefined destination.

Such additional costs are the reasonable costs incurred in respect of:

1. Sending alternative transport to the scene of the accident; and
2. Unloading the Goods from the damaged Carrying Vehicle and reloading the Goods upon an alternative Vehicle.

Insurer's liability will not exceed, in respect of any one event, the amount stated in the Policy Schedule.

11.8. Deposit Premium/Adjustment Clause (If Applicable)

As stated in the Policy Schedule attaching to and forming part of this Policy.

This minimum and deposit premium shall be adjusted upwards at the agreed Policy rate applied to the actual Haulage Fees the Policy period. This figure shall be declared by You to the Insurers, via their representative or agents, as soon as reasonably possible after each anniversary date, for the purpose of recalculation of the premium for such period.

In the event of the premium earned exceeding the minimum deposit premium, You shall pay the difference to the Insurers.

Breach of these conditions shall entitle the Insurers to avoid any liability in terms of the Policy.

11.9. Errors and Omissions in declarations (if applicable)

Unintentional errors or omissions in the drawing up of declarations shall not invalidate this insurance provided steps are taken to rectify these as soon as they come to Your notice.

11.10. Excess

Claims recoverable under this Policy shall be subject to the excesses applicable to the defined event(s) and/or Goods, as stipulated in the Policy Schedule, for each claim, event or occurrence.

11.11. Driver Fidelity Claim Extension

Loss of Goods arising through theft and/or hijacking in instances where there is involvement of Your driver(s) acting in isolation is covered. However, this extension does not cover the involvement of Your owners, partners, members or directors. **This extension is provided with the provision that all drivers and/or co-drivers have been vetted and are free of a criminal record. These records must be made available to the Insurers in the event of a Fidelity Claim or suspicion thereof.**

11.12. Fire extinguishing charges

Any costs relating to the extinguishing or fighting of fire will be deemed to be damage to the Goods and will be payable in addition to any other payment for which the Insurer may be liable in terms of this section, provided You are legally liable for such costs and the Goods were in danger from the fire.

Insurer's liability will not exceed, in respect of any one event, the amount stated in the Policy Schedule.

11.13. Fraud

If any claim under this Policy is in any respect fraudulent or if any fraudulent means are used or misrepresentations made by You or anyone acting on Your behalf, other than the driver(s) acting in isolation, to obtain any benefit under this Policy, or if any loss be occasioned by Your willful act, all benefit under this Policy shall be forfeited. This Policy excludes any claims arising from the dishonesty of any of Your of your owner driver, partner, member, director or employee whether acting alone or in collusion with others, other than the driver(s) acting in isolation, from cover under this Policy.

11.14. Hijacking Definition

Seizure of insured goods contained in or on the Carrying Vehicle or the theft of Goods, where such seizure or theft is accompanied by unlawful and forcible removal of the Carrying 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 Carrying Vehicle carrying the Goods.

11.15. Labels

In the case of damage affecting labels, capsules or wrappers the Insurer, if liable therefore in terms of this Policy, shall not be liable for more than an amount sufficient to pay the cost of new labels, capsules or wrappers, and the cost of reconditioning the goods, but in no event shall the Insurer be liable for more than the value of the Goods.

11.16. Misrepresentation, misdescription and non-disclosure

Misrepresentation, misdescription or non-disclosure by You in any material respect shall render voidable the particular item, section or sub-section of this Policy as applicable by the Insurer.

11.17. Other Insurance

If the Goods Owners recovers any amounts under any other insurance relating to an Event resulting in a claim under this Policy, then the Insurer shall deduct the amount that the Goods Owner received from the amount to be paid to You under this Policy.

If the Insurer has already paid over any amount to You or the Goods Owner, then the Insurer will be entitled to reclaim the equivalent amount paid to the Goods Owner under the other insurance.

11.18. Pairs & Sets

In the event of loss of or damage to any article(s) 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 article(s) shall have as part of such pair or set, nor shall it exceed the proportionate part of the value of such pair or set.

11.19. Plant, Machinery & Equipment

In the event of loss or damage to second-hand plant, machinery or equipment, the amount recoverable hereunder shall not exceed such proportion of the cost of replacing the part lost or damaged, as the value bears to the value of new plant, machinery or equipment.

11.20. Premium Payment

The premium as indicated in the Policy Schedule is payable on or before the inception date or renewal date or any other date agreed by the Insurer. The Insurer will not be obliged to accept premium tendered to it after inception date or renewal date, as the case may be, but may do so upon such terms as the Insurer may, at its sole discretion, determine.

11.21. Non-Payment of premiums via Debit Order

Following a debit order default, You will have 48 hours to either make a manual / Eft Payment into the representatives trust account or forward instructions via the Insurers representatives to force another debit.

In the event that no manual / eft payment is received (and proof of payment provided to insurers) or the forced debit is returned from your bank, the policy will automatically be cancelled from the last date of premium received.

11.22. Repairers

Provided that prior written approval of the Insurer had been obtained, the Goods Owner have the option of nominating the repairers to be employed (including themselves) where repairs by any other party would prejudice the rights of the manufacturer's and/or supplier's guarantees and/or warranties and the like. The Insurer agrees to pay the reasonable costs of the repairers nominated by the Goods Owner

11.23. Salvage Disposal

In the event of loss or damage and with the prior approval of the Insurer, You shall take all reasonable steps to mitigate the loss by preserving the recoverable salvage and to dispose of the damaged Goods at the best possible price. In the event of the Goods Owner not approving of such disposal, the Insurer shall nevertheless be entitled to reduce their liability by an amount equivalent to the reasonable salvage value that would have been obtained by the Insurer or their agents.

11.24. Sendings Register (if applicable)

You shall maintain a Register of Sendings or similar domestic record of all Sendings in such a manner as to enable the Insurer, if they so require, on examination thereof, to recognise transporters' names, Places of origin and destination and Haulage Fees per conveyance.

11.25. Storage costs following an accident

The reasonable costs incurred to store damaged Goods until the Goods can be uplifted by an alternative vehicle, in addition to any amount payable in terms of this Policy.

Insurer's liability will not exceed, in respect of any one event, the amount stated in the Policy Schedule.

12. Road Vehicle Special Conditions

The following special conditions are applicable when the Goods are conveyed by Vehicles owned or operated by You:

Security

No cover shall exist in respect of theft, pilferage or any attempt thereat, unless the person(s) in lawful control of the Carrying Vehicle, or a duly appointed professional security guard, remains in attendance at all times.

Liquor & Drugs

No cover shall exist whilst the Carrying Vehicle is being driven, with Your knowledge or consent, by any person under the influence of intoxicating liquor or drugs.

Overloading

No cover shall exist whilst the Carrying Vehicle or Vehicle combination is overloaded by more than 5% of the legal weight limit permitted under applicable law.

Drivers Licenses

No cover shall exist whilst the Carrying Vehicle is being driven or under the control of any person who is not in possession of a valid and suitable driver's license and driving permit (or failed to renew same) at the time of loss as is required for the relevant Vehicle in applicable legislation.

Fitness of Vehicles and Driver

No cover shall exist whilst the Carrying Vehicle is not in compliance with current legislation regarding roadworthiness or does not have a valid certificate of fitness at the time of loss. The Insurer will not be liable for loss or damage caused or contributed to by the vehicle being in a condition or being driven or operated in a manner which does not comply with the provisions and regulations of The National Road Traffic Act, 93 of 1996 (as amended), or any similar legislation, applying in the territorial limits.

Tarpaulins

No cover shall exist whilst tarpaulins, nets, ropes and packaging material are not in a sound and/or water repellent condition, suitable for their intended purpose.

13. Strikes extension - Risks Covered (cross border only)

This insurance covers, except as excluded by the provisions of this Policy, loss of or damage to the Goods caused by:

- 13.1.** strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotions;
- 13.2.** any act of terrorism being an act of any person acting on behalf of, or in connection with, any organisation which carries out activities directed towards the overthrowing or influencing, by force or violence, of any government whether or not legally constituted;
- 13.3.** any person acting from a political, ideological or religious motive.

14. Institute radioactive contamination, chemical, biological, bio-chemical and electromagnetic weapons exclusion clause

This clause shall be paramount and shall override anything contained in this insurance inconsistent therewith.

1. In no case shall this insurance cover loss damage liability or expense directly or indirectly caused by or contributed to, by, or arising from:

- a. ionising radiations from or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel;
- b. the radioactive, toxic, explosive or other hazardous or contaminating properties of any nuclear installation, reactor or other nuclear assembly or nuclear component thereof;
- c. any weapon or device employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter;
- d. the radioactive, toxic, explosive or other hazardous or contaminating properties of any radioactive matter the exclusion in this sub-clause does not extend to radioactive isotopes, other than nuclear fuel, when such isotopes are being prepared, carried, stored, or used for commercial, agricultural, medical, scientific or other similar peaceful purposes;
- e. any chemical, biological, bio-chemical, or electromagnetic weapon.

15. Special Exclusions

In no instance shall this insurance cover:

- a. loss or damage attributable to Your willful misconduct;
- b. ordinary loss in weight or volume, ordinary wear and tear or loss or damage caused by inherent vice or nature of the Goods;
- c. loss or damage caused by insufficiency or unsuitability of packing, securing, covering or conveyance or carriage of the Goods, in or on the Carrying Vehicle, to withstand the ordinary hazards of transit;
- d. damage by storm, wind, hail, rain or snow to loads in respect of which all reasonable measures to protect the Goods against damage from such causes had not been taken;
- e. loss or damage caused by delay, even though the delay be caused by an insured risk;
- f. loss, damage, liability or expense (including legal costs) directly or indirectly arising from detention, confiscation, forfeiture, impounding, expropriation, nationalisation, capture, seizure,

arrest, restraint, detainment or requisition of the Goods legally carried out by customs, police, crime prevention units or any other officials or authorities;

- g. consequential loss, including but not limited to loss of profits, penalties, guarantees or extraordinary reproduction costs or demurrage ;
- h. contamination of any kind, unless specifically included in the Policy Schedule;
- i. loss or damage whilst the Goods are being conveyed by any vehicle not specified in the Policy Schedule - unless specifically agreed.
- j. any liabilities towards third parties, including but not limited to contractual obligations, whatsoever.

16. GENERAL EXCLUSIONS

16.1. This Policy does not cover loss of or damage to the Goods related to or caused by:

- 16.1.1. civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act of activity which calculated or directed to bring about any of the aforementioned;
- 16.1.2. war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
- 16.1.3. mutiny, military rising or military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege;
- 16.1.4. insurrection, rebellion or revolution;
- 16.1.5. 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;
- 16.1.6. 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;
- 16.1.7. any attempt to perform any act referred to in clause 16.1.5 or 16.1.6 above;
- 16.1.8. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clauses 16.1.1 to 16.1.2 above;
- 16.1.9. earthquake, tremor, volcanic eruption, flood, lightening or any other act of God;
- 16.1.10. wear and tear, depreciation, the action of light or atmospheric conditions, mechanical electrical or electronic breakdown, deterioration occasioned by moth or vermin, scratching, chipping, denting, bruising or breakage;
- 16.1.11. transits by sea.
- 16.1.12. Damage by storm, wind, hail, rain or snow to loads in respect of which all reasonable measure to protect the Goods against damage from such causes had not been taken;

- 16.2.** This Policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by or contributed to, by or arising from:
- 16.2.1. ionising, radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
 - 16.2.2. nuclear material, nuclear fission or fusion, nuclear radiation;
 - 16.2.3. nuclear explosives or any nuclear weapon;
 - 16.2.4. 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 exclusion only, combustion shall include any self-sustaining process of nuclear fission.
- 16.3.** If the Insurers allege that, by reason of the clauses 16.1 and 16.2. above, loss or damage or liability is not covered by this policy, the burden of proving the contrary shall rest with You.
- 16.4.** This Policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 or any similar Act applicable to any of the territories to which this Policy applies.
- 16.5.** Notwithstanding any provisions of this Policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this Policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense.
- 16.6.** For the purpose of clause 16.5. of this general exception, an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes, including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.
- 16.7.** If the Insurers allege that, by reason of clause 16.5 of this exclusion, loss or damage is not covered by this policy, the burden of proving the contrary shall rest of You.
- 16.8.** Notwithstanding any provision of this Policy including any exclusion, exception or extension or other provision which would otherwise override a general exception, this Policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

17. Claims

On the happening of any event which may result in a claim under this Policy, You shall, at Your own expense:

- 17.1.** Give immediate notice thereof to the Insurer, by making a call to the **On Road Solutions Call Centre on 087 230 0815** for assistance, who will immediately mobilise its preferred response units to the incident scene. Failing to do so may result in an additional Excess payable of 10% of the value of the claim;
- 17.2.** as soon as reasonably practicable after the event, submit to the Insurer full details in writing of any claim, including all the relevant proof, information and sworn declarations as the Insurer may require.

- 17.3. within a **maximum period of 24 (twenty-four) hours** after the event, or as soon as You become aware of the event, report to the South African Police Service or the relevant authorities and any specialist tracking company with whom the Goods may be secured, of any claim involving robbery, theft, hijacking, malicious damage to the Goods or loss of the Goods, and take all practicable steps to discover the guilty party and to recover the stolen or lost Goods;
- 17.4. forward to the Insurer, immediately upon receipt, any notice of claim or any communication, writ, summons or other legal process issued or commenced against You in connection with the event giving rise to the claim.
- 17.5. do all such acts and things as the Insurer may require; and
- 17.6. take all practicable steps to discover any guilty person and for the tracing and recovering of Goods lost or damaged; and
- 17.7. You shall not incur any expenses without the prior written consent of the Insurer and shall not negotiate, pay, settle, admit or repudiate any claim without the prior written consent of the Insurer.
- 17.8. You shall, at the request and at the expense of the Insurer, do and concur in doing and permit to be done all such acts and things as may be necessary or required by the Insurer for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which the Insurer shall be or would become entitled or subrogated upon paying any claim arising under this insurance whether such acts and things shall be or become necessary or required before or after indemnification of You or such other claimant by the Insurer.
- 17.9. **It is warranted by You that all claims resulting from a hijacking or theft or robbery will be notified to the Insurer within 24 (twenty-four) hours of the occurrence of the hijacking or theft or robbery incident or when You ought reasonably to have become aware of the hijacking or theft or robbery incident; and**
- 17.10. **It is warranted by You that all claims/losses (other than hijacking and theft, as defined in the Policy) will be notified to the Insurers within 30 (thirty) days of the event or occurrence giving rise to the damage/loss resulting in a claim under this Policy or, if such notification could not be so given due to circumstances beyond Your control, within 30 (thirty) days of You becoming aware of the occurrence or event or within 30 (thirty) days of the date when You ought reasonably to have become aware of the occurrence or event, subject to the Excess requirement set out in 17.1 above.**
- 17.11. Failure by You to do so within the given time period in 17.9 and 17.10 above will result in any indemnification pursuant to a claim for damage/losses arising from an insured incident being forfeited by You.
- 17.12. It is warranted that in the event of the Insurers declining liability for any loss submitted in terms of this Policy, unless legal action is instituted against the Insurers to challenge such declinature within 90 (ninety) days of the time of the Insurers giving notice of such declinature, the right to institute legal action against the Insurers thereafter will be forfeited. No claim shall be payable after the expiry of 12 (twelve) months from the date of the occurrence giving rise to the loss, unless the claim is the subject of already instituted legal action against the Insurers

18. Documentation of Claims

To enable claims to be assessed promptly, You shall submit all supporting documents and information with any claim, including, but not limited to, the following:

- (a) The full names and contact details of the Goods Owner;
- (b) A priced claim from the Goods Owner;
- (c) Commercial invoice/s for the Goods and freight;
- (d) Proof of payment for the Goods and freight;
- (e) All invoices for any additional charges incurred;
- (f) Proof of payment of any additional charges;
- (g) All contracts relevant to any agreement to store or carry the Goods;
- (h) A copy of Your Standard Trading Conditions;

- (i) All delivery notes or waybills;
- (j) All packing lists;
- (k) All statements made to police and other investigators;
- (l) All container terminal orders;
- (m) All survey reports relevant to the Event;
- (n) All correspondence exchanged with third parties holding them liable for the loss.

You shall also provide: The original documents where requested to do so; and Copies of any other documents reasonably requested by the Insurer, its surveyors or loss adjusters.

19. Your Duty of Care

It is Your duty to take such measures as are necessary to minimise loss or damage recoverable under this Policy and to ensure that all rights against third parties are properly preserved.

20. Insurer's rights and Your obligations following an insured event

On the happening of any event in respect of which a claim is or may be made under this Policy, the Insurer and every person authorised by it may, without thereby incurring any liability and without diminishing the right of the Insurer to rely upon any conditions of this Policy:

- 20.1.** take or keep possession of any damaged Goods and deal with it in any reasonable manner. This provision shall be evidence of Your leave and license to the Insurer to do so. The fact that the Insurer may have taken or kept possession of damaged Goods shall not be construed as an acceptance of abandonment of those Goods. The usual rules relating to abandonment will apply in terms of which You are to give notice of Your intention to abandon the Goods, which may be accepted by the Insurer;
- 20.2.** prosecute in Your name for Your own benefit, any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by You without the written consent of the Insurer.

You shall, at the expense of the Insurer, do and permit to be done all such things as may be necessary or reasonably required by the Insurer for the purpose of enforcing any rights to which the Insurer shall be, or would become, subrogated upon indemnification of You, whether such things shall be required before or after such indemnification. Without limiting the generality thereof, You shall authorize the Insurer to make use of Your name for the purpose of any proceedings or measures, legal or other, which the Insurer may deem fit to take for the enforcement of any such rights or remedies.

You undertake to furnish the Insurer with all documents and correspondence relevant thereto and to make any affidavit or declarations and to give any oral evidence as may be required and generally to render any assistance as may be required by the Insurer in connection with any such proceedings or measures, provided that any costs incurred by You in connection therewith shall be borne by the Insurer.

Should You fail to comply with Your obligations under this Policy, the Insurer shall, without prejudice to any other rights it may have, be entitled to reject the claim entirely, in the event that payment of the insurance indemnity has not been made, or, claim back payment of the insurance indemnity from You, in the event that payment thereof has already been made by the Insurer.

If, after the payment of a claim in terms of this Policy in respect of lost, damaged or stolen Goods, such Goods or any part thereof is located, You shall render all assistance in the identification and physical recovery of such Goods if called on to do so by the Insurer, provided that your reasonable expenses in rendering such assistance shall be reimbursed by the Insurer. Should You fail to render assistance in terms of this condition when called upon to do so, You shall immediately become liable to repay the Insurer all amounts paid in respect of the claim.

21. Sanction Limitation and Exclusion Clause

The Insurer shall not provide cover or be liable to pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or

economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

22. Computer losses

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

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

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

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

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

nor any loss directly or indirectly caused by or contributed to by or consisting of or arising from any unauthorized use or unavailability of data or any computer.

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

23. National Power Failure (Blackout) Exclusion

All losses, directly and indirectly (consequential) resultant from the occurrence of a National Power Outage (Blackout) are excluded from cover. A National Power Outage (Blackout) is described as the occurrence of a total failure of the South African power network operated by an authority empowered by law. The failure would be the consequence of the electricity demand exceeding electricity supply, thus resulting in a failure of the network to provide power to its users, nationally. In addition, any losses due to intermittent power supply/load shedding, in an attempt to prevent a national power grid failure, or a regional outage instituted by the utility provider due to a national power grid failure, is also excluded from cover.



Transit Underwriting Managers (Pty) Ltd is an authorised Financial Services Provider, FSP No: 20480
Transit Underwriting Managers (Pty) Ltd underwrites on behalf of Compass Insure, FSP No: 12148