

# PROPERTY DAMAGE

## DEFINED EVENTS

1. **Damage to the whole or part of the Property** as described in the schedule, owned by the Insured or for which they are responsible by the insured perils reflected below but only if such perils are stated in the schedule as being included.
2. **Liability** (if stated as included in the schedule): Damages for which the Insured shall become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed Injury) or accidental loss of or physical damage to tangible property (hereinafter termed Damage) occurring during the period of insurance in, on or about the Property insured and arising from the Insured's ownership thereof.

## DEFINITIONS

**Property:** Unless otherwise agreed and noted in the schedule shall be restricted to:

1. Buildings including all outbuildings thereto all constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos;
2. Carports constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos;
3. Sporting and recreational structures;
4. The owner or the landlord's fixtures and fittings secured to the property described in 1, 2 and 3 above whilst therein and thereon;
5. Walls (except dam walls), gates, gate motors, gate and fence posts, fences, water tanks and septic tanks;
6. Concrete, tarred, stone (but not gravel) or paved surfaces but limited to roads, driveways, parking areas and pathways;
7. The owner or landlord's fixtures and fittings secured to the property described in 5 and 6 above;
8. Contents of the buildings (including all outbuildings thereto) as set out in point 1 above whilst in such buildings situated as stated in the schedule but excluding money and stamps;
9. Plant and machinery pertaining to and associated with the property described in points 1, 2 and 3.

## INSURED PERILS (but only those perils stated as "included" in the schedule)

**Note:** Some insured perils will have their own specific insured amounts stated in the schedule in which case such perils are subject to such stated insured amount. Other insured perils will not have their own specific insured amounts stated in the schedule in which case such insured perils will be subject to the insured amount of the item to which they relate in the schedule.

**Fire** including damage caused by smoke arising directly out of such fire.

**Lightning or thunderbolt** including damage caused by power surges arising directly from such lightning strikes.

**Explosion.**

**Earthquake** whether arising from mining operations or otherwise and including damage caused by tidal waves or tsunamis arising directly from such earthquake.

**Weather and water.** For the purpose of this peril weather damage shall mean damage caused by storm, wind, water, hail or snow.

This peril does not cover:

1. loss or damage to Property arising from its undergoing any process necessarily involving the use or application of water;
2. loss or damage to Property caused by tidal wave or tsunami originating from earthquake;
3. loss or damage to Property being retaining walls unless so described and specifically insured as a separate item in the schedule;
4. wear and tear or gradual deterioration;
5. loss or damage to Property caused or aggravated by subsidence or landslip;
6. loss or damage to Property caused or aggravated by the Insured's failure to take all reasonable precautions for the maintenance and safety of the Property insured and for the minimisation of any damage.
7. loss or damage to any structure not completely roofed unless so described and specifically insured as a separate item;
8. loss or damage to Property in the open (other than to buildings, structures or plant designed to exist or operate in the open) unless so described and specifically insured as a separate item;

**Impact.** For the purposes of this peril impact shall mean impact by:

1. aircraft and other aerial devices or articles dropped therefrom (including sonic shock waves or any other damage caused by aircraft);
2. rocks, stones or boulders (other than impact caused by landslip, the deliberate or wilful or wanton act of any person committed with the intention of causing such damage or impact by meteorites, asteroids or similar bodies entering the earth's atmosphere);
3. animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

**Malicious damage.** For the purposes of this peril malicious damage shall mean damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such damage other than damage to:

1. movable Property which is
  - 1.1 stolen;
  - 1.2 damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;
2. movable or immovable Property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured;
3. immovable Property owned or occupied by the Insured occasioned by or through or in consequence of
  - 3.1 the removal or partial removal or any attempt thereof;
  - 3.2 the demolition or partial demolition or any attempt thereof of the said immovable Property or any part thereof with the intention of stealing any part thereof;

provided this peril does not cover:

1. damage related to or caused by fire or explosion;
2. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
3. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
4. damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
5. damage related to or caused by any occurrence referred to in General exclusion 1 (A) (i), (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 occurrence.

If the Company alleges that, by reason of provisos 1 to 5 above, loss or damage is not covered by this peril, the burden of proving the contrary shall rest on the Insured.

If any building(s) insured or containing insured Property becomes unoccupied for 30 consecutive days or more, during the initial 30 day unoccupancy period the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during 30 day unoccupancy period)".

If the unoccupancy period exceeds 30 consecutive days, this peril is suspended as regards the Property affected from day 31 unless the Insured before the occurrence of any malicious damage obtains the written agreement of the Company to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Company. If the Company provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during any unoccupancy period exceeding 30 days)" for any loss occurring during any agreed extended period.

**Theft (forcible and violent entry into or exit from).** Theft (or any attempt thereof) of building fixtures and fittings contained inside the buildings or outbuildings described in point 1 of the definition of Property provided such theft is accompanied by forcible and violent entry into or exit from such buildings.

This peril includes damage to:

1. such buildings following the forcible and violent entry or exit;
2. the property described in point 5 of the Property definition caused whilst first gaining access to the premises before breaking into the insured buildings or exiting thereafter.

If any building(s) insured or containing insured Property becomes unoccupied for 30 consecutive days or more, during the initial 30 day unoccupancy period the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during 30 day unoccupancy period)".

If the unoccupancy period exceeds 30 consecutive days, this peril is suspended as regards the Property affected from day 31 unless the Insured before the occurrence of any theft obtains the written agreement of the Company to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Company. If the Company provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during any unoccupancy period exceeding 30 days)" for any loss occurring during any agreed extended period.

**Accidental damage – Sanitary ware.** Accidental damage to sanitary ware of the insured buildings including but not limited to baths, wash basins, sinks, lavatory pans, cisterns, pedestals and splash backs.

**Subsidence and landslip.** If in the schedule against this peril the type of cover is reflected as “**extended**” then this peril does not include:

1. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured as a separate item in the schedule indicating that this peril is included;
2. damage caused or attributable to faulty design or construction of, or the removal or weakening of support to any building situated at the insured premises;
3. damage caused or attributable to workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises;
4. damage caused or attributable to excavation on or under land other than excavations in the course of mining operations;
5. consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.

If in the schedule against this peril the type of cover is reflected as “**limited**” then this peril in addition to points 1 to 5 also does not include:

6. damage to screen walls, driveways, paving, swimming pool surrounds and tennis courts;
7. damage caused or attributable to contraction/ shrinkage and/ or expansion of soil caused by the moistness/ dampness or moisture content of such soil as experienced in clay and other similar soils;
8. damage caused by or attributable to inadequate compaction of backfill.

In any action, suit or other proceeding where the Company alleges that, by reason of exclusions 1 to 8 any damage is not covered by this peril, the burden of proving the contrary shall be upon the Insured.

**Power surge** provided that this peril does not cover power surges arising from lightning.

**Riot and strike (other than RSA and Namibia).** For the purposes of this peril riot and strike shall mean 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 occurrence referred to in 1 above;

Provided that this peril does not cover:

1. loss or damage occurring in the Republic of South Africa and Namibia;
2. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
3. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
4. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
5. loss or damage related to or caused by any occurrence 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 occurrence.

If the Company alleges that, by reason of provisos 1 to 5 above, loss or damage is not covered by this peril, the burden of proving the contrary shall rest on the Insured.

**Theft of landlord's fixtures and fittings** being the property described in points 4 and 7 of the definition of Property.

In addition, this peril includes damage to the property described under points 1, 2, 3, 5 and 6 of the definition of Property caused:

1. whilst first gaining access to the premises, buildings or structures during such theft or whilst exiting thereafter;
2. in the process of detaching or removing the said fixtures and fittings from the Property it was secured to.

If any building(s) insured or containing insured Property becomes unoccupied for 30 consecutive days or more, during the initial 30 day unoccupancy period the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during 30 day unoccupancy period)".

If the unoccupancy period exceeds 30 consecutive days, this peril is suspended as regards the Property affected from day 31 unless the Insured before the occurrence of any theft obtains the written agreement of the Company to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Company. If the Company provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during any unoccupancy period exceeding 30 days)" for any loss occurring during any agreed extended period.

**Accidental damage – Buildings.** Accidental damage to buildings but excluding loss, destruction or damage caused by or resulting from:

1. wear and tear;
2. depreciation;
3. electrical or mechanical breakdown;
4. rust, mildew, moth, vermin or insects;
5. scratching, denting or chipping;
6. the Insured's own domestic pets;
7. any gradually operating cause;
8. any process of dyeing, cleaning or renovating;
9. the action of light or atmospheric conditions;
10. confiscation or detention by any process of law.

**Accidental damage – Glass.** Accidental breakage of:

1. glass in windows, skylights, doors, fanlights and verandas;
2. mirror glass

forming fixed parts of the insured building(s).

**Accidental damage – Glass of stoves and ovens.** Accidental damage to glass forming part of any stove or oven being a built in fixture of the insured buildings.

**Accidental damage - Household goods and appliances.** Accidental damage to household electrical and gas appliances including air conditioning units, burglar alarms and built-in stoves.

**Accidental damage – Machinery.** Sudden and unforeseen accidental damage to the machinery of swimming pools, Jacuzzis, boreholes (excluding windmills), saunas, sprinkle irrigation systems, electric

gates and garage doors but excluding damage caused by or arising from wear and tear or gradual deterioration.

**Accidental damage – Aerials, masts and satellite dishes.** Accidental damage to aerials, masts (including lightning masts) and satellite dishes.

**Contamination of fish stock.** The definition of property is extended to include fish stock and the Company will pay for the death of such fish stock (other than Koi) in the Insured's dams following water pollution or contamination from chemicals or waste.

**Damage to buildings not insured on this policy (following theft of contents).** If there is damage to the building (including landlord's fixtures and fittings therein and thereon) stated in the schedule caused by or arising from theft or any attempt thereof of contents (as described under insured peril "Theft of contents (forcible and violent entry into or exit from)" below) and such building is not insured under this policy, the Company will pay for such damage up to the insured amount, provided that such theft or attempted theft is accompanied by actual forcible and violent entry into or exit from the building.

If any building(s) containing insured Property becomes unoccupied for 30 consecutive days or more, during the initial 30 day unoccupancy period the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during 30 day unoccupancy period)".

If the unoccupancy period exceeds 30 consecutive days, this peril is suspended as regards the Property affected from day 31 unless the Insured before the occurrence of any damage obtains the written agreement of the Company to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Company. If the Company provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during any unoccupancy period exceeding 30 days)" for any loss occurring during any agreed extended period.

**Deterioration of foodstuffs – all risks.** The Company will pay for accidental deterioration of foodstuffs from any cause but excluding:

1. damage as a result of the deliberate withholding of power by a supply authority;
2. consequential loss;

**External signs, blinds and canopies.** Damage to:

1. external signs, blinds, canopies, signs and signposts on the Insured's premises the property of the Insured or for which he is responsible;
2. signs and signposts advertising the insured establishment being the property of the Insured or for which he is responsible situated elsewhere than on the Insured's premises;

by any insured peril that is reflected as included under an insured building at the particular premises on the schedule.

**Leakage of beverages** from fixed installations including the resultant loss of the beverages.

**Leakage of oils and chemicals** (in the form of liquids, fluids, gases or fumes) from tanks, pipes or apparatus but excluding loss or damage as a result of leakage due to wear and tear or other gradually operating causes of the tanks, pipes or apparatus.

Loss of such oils or chemicals shall be included in the cover under this peril provided that only oils and chemicals in tanks, pipes or apparatus forming an integral part of the insured Property will be covered under this section.

If "first loss" is shown in the schedule against "leakage option", for the purposes of this peril only the following shall be substituted for the average condition hereinafter expressed:

"If the Property insured is, at the commencement of any damage to such Property by discharge or leakage, collectively of greater value than the insured amount stated in the schedule directly under such item, then the Company shall be liable under this peril only for that proportion of the first loss insured amount stated in the schedule under this peril as the insured amount against the item bears to the total value of such Property and the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, to which this peril applies shall be separately subject to this condition."

**Public supply of electricity (total or partial failure).** Loss or damage caused by the total or partial failure of the public supply of electricity to the premises of the Insured provided that this peril does not cover loss or damage resulting from damage directly or indirectly caused by:

1. drought;
2. pollution of water;
3. shortage of fuel or water;
4. a fault on any part of the installation belonging to the premises;
5. the exercise of an authority, empowered by law to supply electricity, of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to damage to the property of such authority.

The Company shall not be liable in terms of this extension unless such interruption or interference extends beyond 24 hours.

**Refrigerant fumes.** The action of refrigerant fumes which have escaped from the unit provided that this extension does not cover:

1. loss or damage caused by a deliberate act by the supply authority or the exercise by any supply authority of its power to withhold or restrict the supply of electricity and/or gas unless such withholding or restriction is directly attributable to damage to the property of such authority;
2. consequential loss.

**Theft from outbuildings (forcible and violent entry into or exit from).** Loss of or damage to the contents of the insured outbuilding(s) at the insured premises described in the schedule as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence. For the purposes of this peril "outbuildings" shall mean the buildings as defined under point 1 of the Property definition.

This peril includes damage to:

1. such outbuildings following the forcible and violent entry or exit;
2. the property described in point 5 of the Property definition caused whilst first gaining access to the premises before breaking into the insured outbuildings or exiting thereafter.

If the insured premises becomes unoccupied for 30 consecutive days or more, during the initial 30 day unoccupancy period the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during 30 day unoccupancy period)".

If the unoccupancy period exceeds 30 consecutive days, this peril is suspended as regards the Property affected from day 31 unless the Insured before the occurrence of any theft obtains the written agreement of the Company to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Company. If the Company provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during any unoccupancy period)".

exceeding 30 days)" for any loss occurring during any agreed extended period.

**Theft from outbuildings (non-forcible entry).** Loss of or damage to the contents of the outbuildings at the insured premises described in the schedule as a result of theft or any attempt thereat. For the purposes of this peril "outbuildings" shall mean the buildings as defined under point 1 of the Property definition.

This peril includes damage to the property described in point 5 of the Property definition caused whilst first gaining access to the premises before such theft or whilst exiting thereafter.

If the insured premises becomes unoccupied for 30 consecutive days or more, during the initial 30 day unoccupancy period the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during 30 day unoccupancy period)".

If the unoccupancy period exceeds 30 consecutive days, this peril is suspended as regards the Property affected from day 31 unless the Insured before the occurrence of any theft obtains the written agreement of the Company to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Company. If the Company provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during any unoccupancy period exceeding 30 days)" for any loss occurring during any agreed extended period.

**Theft of contents (forcible and violent entry into or exit restriction).** Loss of or damage to the contents of the insured building(s) at the insured premises described in the schedule as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence. For the purposes of this peril "buildings" shall mean the buildings as defined under point 1 of the Property definition but excluding outbuildings.

This peril includes damage to:

1. such buildings following the forcible and violent entry or exit;
2. the property described in point 5 of the Property definition caused whilst first gaining access to the premises before breaking into the insured buildings or exiting thereafter.

If any building(s) containing insured Property becomes unoccupied for 30 consecutive days or more, during the initial 30 day unoccupancy period the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during 30 day unoccupancy period)".

If the unoccupancy period exceeds 30 consecutive days, this peril is suspended as regards the Property affected from day 31 unless the Insured before the occurrence of any theft obtains the written agreement of the Company to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Company. If the Company provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during any unoccupancy period exceeding 30 days)" for any loss occurring during any agreed extended period.

**Theft of contents.** Loss of or damage to the contents of the buildings at the insured premises described in the schedule as a result of theft or any attempt thereat provided that a manager or the owner of the guesthouse resides on the premises. For the purposes of this peril "buildings" shall mean the buildings as defined under point 1 of the Property definition but excluding outbuildings.

If any building(s) containing insured Property becomes unoccupied for 30 consecutive days or more, during the initial 30 day unoccupancy period the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during 30 day unoccupancy period)".



If the unoccupancy period exceeds 30 consecutive days, this peril is suspended as regards the Property affected from day 31 unless the Insured before the occurrence of any theft obtains the written agreement of the Company to continue with this peril. Any extension of cover and the terms shall be at the sole discretion of the Company. If the Company provides such written agreement to waive this suspension of cover, the Insured shall be responsible for the first amount payable reflected in the schedule next to "First amount payable: % of claim (additional amount during any unoccupancy period exceeding 30 days)" for any loss occurring during any agreed extended period.

## SPECIFIC CONDITIONS

### Average

If the Property insured is, at the commencement of any damage to such Property by any peril insured against, collectively of greater value than the insured amount thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

This condition shall not apply to any loss for the following insured perils and extensions:

1. Theft of landlord's fixtures and fittings insured peril
2. Accidental damage - Aerials, masts and satellite dishes insured peril
3. Accidental damage – Glass insured peril
4. Accidental damage – Glass of stoves and ovens insured peril
5. Accidental damage – Machinery insured peril
6. Accidental damage – Sanitary ware insured peril
7. Contamination of fish stock
8. Damage to buildings not insured on this policy (following theft of contents)
9. Deterioration of foodstuffs – All risks
10. External signs, blinds and canopies
11. Leakage of beverages
12. Power surge insured peril
13. Water pipes extension

### Insured amount – Liability (defined event 2)

The maximum amount payable by the Company as limited by the insured amount in the schedule shall be inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source.

## SPECIFIC EXCLUSIONS

The Company will not indemnify the Insured under the defined event Liability in respect of:

1. Injury or Damage sustained by:
  - 1.1 any member of the same household as the Insured;
  - 1.2 any person employed by the Insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the Insured;

- 1.3 any other person resulting from the ownership of or use by or on behalf of the Insured of mechanically propelled vehicles (except pedal cycles and lawnmowers);
2. Damage to property:
  - 2.1 belonging to the Insured;
  - 2.2 in the custody or control of the Insured or any employee of the Insured;
  - 2.3 caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;
3. liability assumed by agreement unless liability would have attached to the Insured notwithstanding such agreement;
4. liability in respect of Injury, Damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination provided always that this exclusion shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence (this exclusion shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exclusion);
5. the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence (this exclusion shall not extend the policy to cover any liability which would not have been insured under this policy in the absence of this exclusion);
6. fines, penalties, punitive, exemplary or vindictive damages;
7. damages in respect of judgments delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland;
8. costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in 7 above;
9. liability consequent upon injury or damage caused by or through or in connection with the trade, profession or occupation of the Insured (other than as owner of the building).

## CLAUSES AND EXTENSIONS

Subject otherwise to the terms, exclusions and conditions of this 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) subject to any insured amounts or first amounts payable stated in the schedule under each extension.

### **All other contents** (if stated as included in the schedule)

The term "contents" reflected in the schedule and as herein defined is extended to include personal effects, tools and pedal cycles, the property of the Insured or directors or employees of the Insured whilst on the Insured's premises but only in so far as such property is not otherwise insured. The benefit under this extension is limited for any one individual to the insured amount as stated in the schedule.

### **Alterations**

This section shall not be prejudiced by any alteration or misdescription of occupancy due to structural alteration or repair to the buildings as defined under points 1 to 7 and 9 of the Property definition of the insured property provided the Company is notified as soon as practicable after the event and the Insured pays any additional premium required.

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

The Company will pay up to the insured amount per loss (but also limited in any one period of

insurance to such insured amount if more than one loss is experienced - or the twelve consecutive months from the inception or anniversary date if this policy is paid by monthly debit order) for loss of income of the Insured where such loss has arisen as a result of a guest or visitor of the Insured having absconded and/or fraudulently misused a credit card and/or left the insured premises prior to settling his/her account for accommodation and other services provided by the Insured provided that:

1. the Insured has made all reasonable attempts to collect such outstanding payment;
2. the Company will only indemnify the Insured for the fraudulent misuse of a credit card if the financial institution whose credit card has been fraudulently misused refuses to reimburse the Insured;
3. the Insured reports any fraudulent misuse of a credit card to the financial institution concerned within 24 hours of discovery thereof by the Insured;
4. cover will not be considered by the Company if the Insured is unable to provide the following minimum details of such guest or visitor:
  - 4.1 Full first names and surname;
  - 4.2 Identification or passport number;
  - 4.3 Physical address of permanent residence.

**Capital additions** (if stated as included in the schedule)

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the insured amount(s) to the Property for an amount not exceeding the percentage (as stated in the schedule) of the insured amount thereon, it being understood that the Insured undertakes to advise the Company each quarter (or each month if the premium is paid monthly by debit order) of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

**Cost of demolition** (if stated as included in the schedule)

The insurance under this section includes costs necessarily incurred by the Insured in respect of the demolition of property insured and/or the removal of debris and in providing, erecting and maintaining hoardings required during demolition, site clearing and/or building operations following damage to the Property insured by a defined event, provided that the total amount recoverable shall not exceed the insured amount on the Property affected.

The Company will not pay for any costs or expenses:

1. incurred in removing debris except from the site of such Property destroyed or damaged and the area immediately adjacent to such site;
2. arising from pollution or contamination of property not insured by this policy/section.

**Credit cards, credit vouchers and SIM cards (for use in cellphones)** (if stated as included in the schedule)

The Company will indemnify the Insured up to the insured amount incurred by the Insured following the unlawful use by a person, not related to or employed by the Insured, of:

1. credit cards or credit vouchers officially issued by a credit institution in the Insured's name, provided that all terms and conditions under which the credit cards and credit vouchers were issued have been complied with;
2. SIM cards issued in the name of the Insured.

**Damage to property by baboons** (if stated as included in the schedule)

Subject to the insured amount (for any one period of insurance or the twelve consecutive months from the inception or anniversary date if this policy is paid by monthly debit order) and the first amount payable stated in the schedule against this extension, the Company will pay for loss of or damage to the insured property caused by the acts of baboons.

**Damage to property by wild animals (excluding baboons)** (if stated as included in the schedule)

Subject to the insured amount (for any one period of insurance or the twelve consecutive months from the inception or anniversary date if this policy is paid by monthly debit order) and the first amount payable stated in the schedule against this extension, the Company will pay for loss of or damage to the insured property caused by the acts of wild animals but excluding damage caused by baboons.

**Death compensation – Insured or employees** (if stated as included in the schedule)

The Company will pay compensation if the Insured or any employee of the Insured dies within ninety days due to an injury sustained in the Insured's buildings or on the Insured's premises through fire or attack by thieves provided that the Company's liability shall not exceed the amounts stated in the schedule.

**Death of horses** (if stated as included in the schedule)

The Company will pay up to the insured amount in the schedule for any one event for death of or injury to horses directly resulting from any insured perils reflected as included under the particular premises on the schedule whether or not other insured Property is lost or damaged at the same time.

**Death of Koi fish** (if stated in the schedule to be included)

Subject to the insured amount (for any one event) and the first amount payable stated in the schedule against this extension, the Company will pay for death of or injury to Koi fish belonging to the Insured directly resulting from an insured peril or from water pollution or contamination from chemicals or waste.

**Disposal of salvage clause** (if stated as included in the schedule)

Without diminishing the rights of the Company to rely on the provisions of the general conditions in the event of a loss, the Company agrees that it will not sell or otherwise dispose of any property which is the subject of a claim hereunder without the consent of the Insured provided that the Insured can establish to the satisfaction of the Company that to do so will prejudice their interests in which event the Company agrees to give the Insured first option to repurchase such property at its fair intrinsic value or market value whichever is the greater.

The Insured shall not be entitled under the provisions of this clause to abandon any property to the Company whether taken possession of by the Company or not.

**Documents**

The Company's liability under contents (if insured) in respect of documents, manuscripts, business books, plans, computer systems records and media, designs, patterns, models and moulds is restricted to the value of materials and sums expended in labour in originally creating such material or in reinstating such material and shall not include the value of the content or information thereof or therein to the Insured.

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

Any costs relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured Property and shall be payable in addition to any other payment for which the Company may be liable in terms of this section provided the Insured is legally liable for such costs and the Property insured was in danger from the fire.

**Full house** (if stated as included in the schedule)

The Company will indemnify the Insured up to the insured amount stated in the schedule incurred by the Insured for costs arising in the event of the Insured scoring a full-house in bowls, on a bowling green, affiliated to a provincial union, in terms of the recognised rules of bowls provided that the full house must be achieved by the Insured, playing as amateurs, in an official competition, as part of a

team of two, three or four, scoring a full house, with all eight or nine bowls to count. The full house must be confirmed in writing by the secretary of the bowling club;

**Gardens and water features** (if stated as included in the schedule)

The Company will pay for costs incurred by the Insured in restoring landscaped gardens, statues and water features damaged by:

1. the insured perils fire, lightning, thunderbolt, explosion, earthquake, weather and water, impact and malicious damage provided that such insured perils are reflected as included under the particular premises on the schedule;
2. any emergency service/s operating at the insured premises as a result of such insured peril.

**Geysers, water containers, water tanks, water apparatus or water pipes** (if stated as included in the schedule)

Bursting and other accidental damage to the above property (hereinafter in this extension and in the schedule called geysers) of the Insured installed in and forming part of the buildings or structures as stated in the schedule provided that:

1. this extension does not cover loss caused by structural defects, faulty design or poor workmanship of the above property;
2. only geysers declared and stated in the schedule are covered under this extension;
3. only water pipes connected to and within 1 meter of any insured geyser, water container, water tank or water apparatus are covered by this extension;
4. the Specific Condition of average is for the purpose of this extension restated to read:

“If the actual number of geysers in existence is, at the commencement of any bursting or other accidental damage to such Property, more than the number of geysers stated in the schedule, then the Insured shall bear a rateable share of the loss in proportion that the number stated in the schedule bears to the actual number in existence. Every building containing geysers insured in terms of this extension and every type of geyser, if more than one is stated in the schedule, shall be separately subject to this condition.”

**Geyser maintenance** (if stated as included in the schedule)

This section is extended to provide cover for the cost of repair or replacement of defective elements, thermostats or valves.

**Goods in the open** (if stated as included in the schedule)

Notwithstanding exclusion 8 of the Weather and Water peril, the Company will pay for damage to goods in the open caused by an insured peril.

**Hole-in-one** (if stated as included in the schedule)

The Company will indemnify the Insured up to the insured amount stated in the schedule incurred by the Insured for costs arising in the event of the Insured hitting a hole-in-one in golf, on a recognised golf course, in terms of the recognised rules of golf provided that the hole-in-one must be achieved by the Insured, playing as amateurs in an official game/tournament, and confirmed in writing by the secretary of the golf club.

**Inflation escalation** (if stated as included in the schedule)

To provide for inflation the insured amounts of the insured Property as stated in the schedule are automatically increased as follows:

**During the period of insurance:** During the period of insurance (or the twelve consecutive months from the inception or anniversary date if this policy is not an annual contract), the

insured amount(s) shall be increased by that portion of the percentage specified in the schedule against "First year %" which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the insured amount(s) in force at the commencement of the period of insurance.

**After the period of insurance:** If following a claim any reinstatement or replacement process to the insured Property has not been completed by the end of the period of insurance, further inflationary costs incurred beyond the control and influence of the Insured up until final reinstatement or replacement has been completed will be covered by the Company as set out below:

**Second year %:** If stated in the schedule, the insured amount that existed during the period of insurance in which the claim occurred (as increased by the provision set out above under "during the period of insurance"), shall be increased further by the percentage specified in the schedule against "Second year %".

**Third year %:** If stated in the schedule and if the reinstatement or replacement has not been completed 12 months after the period of insurance during which the claim occurred has elapsed, the insured amount as inflated by the "Second year %" shall be increased further by the percentage specified in the schedule against "Third year %".

**Fourth year %:** If stated in the schedule and if the reinstatement or replacement has not been completed 24 months after the period of insurance during which the claim occurred has elapsed, the insured amount as inflated by the "Third year %" shall be increased further by the percentage specified in the schedule against "Fourth year %".

**Fifth year %:** If stated in the schedule and if the reinstatement or replacement has not been completed 36 months after the period of insurance during which the claim occurred has elapsed, the insured amount as inflated by the "Fourth year %" shall be increased further by the percentage specified in the schedule against "Fifth year %".

At each renewal date, the Insured shall notify the Company of the amount(s) to be insured for the forthcoming period of insurance and any revised inflationary protection percentage(s). In default thereof, the insured amount(s) shall remain as they were in the previous period of insurance as if the inflationary increases in terms of this clause had not been applied.

**Liability** (applicable if Liability is reflected as included in the schedule)

1. Where more than one Insured is named in the schedule, the Company will indemnify each Insured separately and not jointly and any liability arising between such Insureds shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the insured amount stated in the schedule.
2. Provided that the aggregate liability of the Company is not increased beyond the insured amount stated in the schedule, the Company will also indemnify as though a separate policy had been issued to each:
  - 2.1 in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured;
  - 2.2 any partner or director or member or employee of the Insured (if the Insured so requests) against any claim for which the Insured is entitled to indemnity under this insurance.
3. In respect of the Liability defined event only, General exclusion 1 is deleted and replaced by the following:

"The Liability defined event does not cover injury, damage or liability directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power."
4. If, at the time of any event giving rise to a claim under the Liability defined event, indemnity is also provided under any other insurance, the Liability defined event shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by

such other insurance.

5. Notwithstanding Specific exclusion 3, if, in terms of a contract with a security firm engaged in the course of the Insured's business (as owner of the premises specified in the schedule) to protect the Insured's property at the premises stated in the schedule, the Insured becomes legally liable for the acts or omissions of the employees of the security firm in the course of their employment at these premises, then the Liability defined event includes such legal liability to the extent that indemnity would have been granted under this defined event had the said employees been under a contract of service to the Insured and not the security firm, but not exceeding the insured amount stated in the schedule against Liability.

If, at the time of an occurrence giving rise to a claim, the security firm is entitled to indemnity under any other policy in respect of the same event, the Company shall not be liable to make any payment except in respect of any amount above the amount payable under such other policy.

### **Loss of water** (if stated as included in the schedule)

The Company will pay up to the insured amount for charges raised by a local authority for water lost through leakage from pipes on the Insured's property provided that:

1. The consumption reading must be at least 50 percent more than the average of the previous four readings;
2. The Insured take immediate steps to repair the pipe(s) affected on discovery of a leak (by physical evidence or on receipt of an abnormally high water account).

This extension does not cover:

1. The cost to trace and to repair leaking pipes;
2. More than two separate incidents in any period of twelve months;
3. Loss of water:
  - 3.1 as a result of leaking taps, water heating apparatus or toilet systems;
  - 3.2 from swimming pool structures or inlet or outlet pipes thereof;
  - 3.3 whilst the property is unoccupied for a period in excess of 60 consecutive days.

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

The Company will indemnify the Insured for all reasonable expenses incurred by the Insured for such immediate medical treatment as may be necessary at the time of an accident causing Injury to any person who may be the subject of a claim for indemnity by the Insured in terms the defined event "Liability" of this section.

### **Money and stamps** (if stated as included in the schedule)

The exclusion relating to money and stamps in point 8 of the Property definition is deleted and cover is provided for money and stamps in terms of this extension provided that:

1. Contents are reflected as insured under this section;
2. Money and stamps shall mean cash, bank and currency notes, cheques, postal orders, money orders, current negotiable postage, revenue and holiday stamps, credit card vouchers and documents, certificates or other instruments of a negotiable nature, the property of the Insured or for which they are responsible.

### **Mortgagee**

The interest of any mortgagee in the insurance under this section shall not be prejudiced by any act or omission on the part of the mortgagor without the mortgagee's knowledge. The mortgagee shall, however, inform the Company as soon as any such act or omission comes to his knowledge and shall be responsible for any additional premium payable from the date any increased hazard shall, in terms of this clause, be assumed by the Company.

### **Municipal plans scrutiny fee** (if stated as included in the schedule)

The insurance under this section includes municipal plans scrutiny fees, provided that the total amount recoverable under any item shall not exceed the insured amount on the Property insured so affected.

### **Personal effects of guests** (if stated as included in the schedule)

The Company will pay up to the insured amount stated in the schedule for loss or damage by an insured peril to personal effects and household goods (excluding money and negotiable instruments) belonging to guests but excluding:

1. such personal and household goods effects that are not contained in a building situated on the insured premises;
2. such personal effects and household goods that are otherwise covered by any other insurance.

### **Prevention of access** (if stated as included in the schedule)

If property within the radius of the premises stated in the schedule is lost or damaged by an insured peril during the period of insurance and this prevents or hinders the use of or access to the Property insured by this section, the Company will pay any loss of rent the Insured may incur as a result thereof up to an amount not exceeding the percentage (as reflected in the schedule against "Insured amount (%)") of the insured amount on the affected Property. The loss of rent calculation will be based on the rent payable immediately preceding the loss or damage or its equivalent rental value.

### **Professional fees** (if stated as included in the schedule)

The insurance of the insured Property includes professional fees, including but not limited to architects' and quantity surveyors' fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the Property insured following damage by an insured peril, but in no case exceeding the percentage stated in the schedule of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the insured amount on the Property affected.

The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the Insured's claim.

### **Public authorities' requirements** (if stated as included in the schedule)

The insurance under this section includes such additional cost of repairing or rebuilding the damaged Property incurred solely by reason of the necessity to comply with building or other regulations under, or framed in pursuance of any act of parliament or ordinance of any provincial, municipal or other local authority provided that:

1. the amount recoverable under this extension shall not include:
  - 1.1 the cost incurred in complying with any of the aforesaid regulations
    - 1.1.1 in respect of damage occurring prior to granting of this clause;
    - 1.1.2 in respect of damage not insured by this section;
    - 1.1.3 under which notice has been served upon the Insured prior to the happening of the damage;
    - 1.1.4 in respect of undamaged Property or undamaged portions of Property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged;
  - 1.2 the additional cost that would have been required to make good the Property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
  - 1.3 the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by



reason of compliance with any of the aforesaid regulations;

2. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this clause not being thereby increased;
3. if the liability of the Company under any item of this section apart from this clause shall be reduced by the application of any of the terms, exclusions and conditions of this section, then the liability of the Company under this clause in respect of any such item shall be reduced in like proportion;
4. the total amount recoverable under any item of this section shall not exceed the insured amount thereby.

### **Public supply connections** (if stated as included in the schedule)

This section is extended to cover accidental damage to water, sewerage, gas, electricity and telecommunication connections the property of the Insured or for which they are legally responsible, between the insured building and the public supply or mains.

### **Railway and other subrogation**

The Insured shall not be prejudiced by signing the "Transnet Cartage (Hazardous Premises) Indemnity" or other special agreements with the Transnet Administration regarding private sidings or similar agreements with other government bodies.

### **Reinstatement value conditions**

In the event of the Property being damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site, Property of the same kind or type but not superior to or more extensive than the insured Property when new, provided that:

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;
2. until expenditure has been incurred by the Insured in replacing or reinstating the Property, the Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured Property had been damaged, exceeds the insured amount thereon at the commencement of any damage to such Property by a defined event, then the Insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision;
4. these conditions shall be without force or effect and the amount payable will revert to the reasonable market value if:
  - 4.1 the Insured fails to intimate to the Company within six months of the date of damage, or such further time as the Company may in writing allow, their intention to replace or reinstate the Property;
  - 4.2 the Insured is unable or unwilling to replace or reinstate the Property on the same or another site.

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

Loss of rent as a result of the Property insured being so damaged (by any of the perils specified in the

schedule as “included”) as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement (and for an amount not exceeding the percentage as stated in the schedule against “Insured amount (%)”) of the insured amount on the affected Property. The basis of calculation shall be the rent payable immediately preceding the damage or its equivalent in rental value.

### **Temporary increase of the insured amount** (if stated as included in the schedule)

The insured amount(s) for contents under this section is increased annually over long weekends, during festivals and during school holiday periods based on the provinces’ official school calendar by the percentage reflected in the schedule.

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

Except in so far as otherwise insured, the insured Property owned by the Insured is covered while temporarily removed:

1. to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique provided that:
    - 1.1 unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the Company shall not exceed the percentage (as stated in the schedule) of the applicable building’s insured amount;
    - 1.2 the amount payable under this extension shall not exceed the amount that would have been payable had the loss occurred on the part of the premises from which the Property is temporarily removed;
    - 1.3 this extension does not cover motor vehicles;
    - 1.4 this extension does not provide cover to Property held in trust or on commission.
  2. and whilst contained within any other occupied private residence or building in which the Insured is temporarily residing;
  3. to the building of any office, business or trade where the Insured is employed;
- provided always that theft or any attempt thereat (if reflected as in included insured peril) from any building mentioned in this extension is not covered unless such theft (or any attempt thereat) is accompanied by breaking into or out of such building by actual, visible and forcible means.

### **Tenants**

The Company’s liability to the Insured shall not be affected by any act or omission on the part of any tenant (other than the Insured) without the Insured’s knowledge. The Insured shall, however, inform the Company as soon as any such act or omission which is a contravention of any of the terms, exclusions or conditions of this section comes to their knowledge and will be responsible for any additional premium payable from the date any increased hazard shall be assumed by the Company.

### **Transport of groceries and household goods** (if stated in the schedule to be included)

The Company will pay up to the insured amount in respect of loss of or damage to groceries and household goods which the Insured transports after the purchase thereof along a reasonably direct route to the Insured’s premises.

### **Trauma treatment - General** (if stated in the schedule to be included)

The Company will pay up to the insured amount in respect of any one event for expenses incurred, not otherwise covered, for trauma treatment by a registered professional counsellor if any guest of the Insured requires treatment due to hijacking, theft, fire or violence or threat of violence that occur in the Insured’s buildings or on the Insured’s premises.

**Veterinary expenses** (if stated in the schedule to be included)

The Company will pay up to the insured amount stated in the schedule for veterinary expenses incurred as a result of accidental bodily injury sustained by any domestic pet (excluding animals kept for private consumption purposes or for commercial use) owned by the Insured and arising from an accident involving a motor vehicle.

**Water pipes** (if stated as included in the schedule)

Bursting and other accidental damage to water pipes the property of the Insured installed in and forming part of the buildings or structures as stated in the schedule provided that:

1. this extension does not cover structural defects, faulty design, poor workmanship, wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) of any water pipe(s);
2. only water pipes beyond 1 meter of any geyser, water container, water tank or water apparatus are covered by this extension.

For internal broker use only - subject to minor changes from time to time