



RENASA  
INSURANCE COMPANY LIMITED

# RENASA FARMERS POLICY



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## INDEX

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INDEX	PAGE NO
GENERAL CONDITIONS AND EXCEPTIONS	2
STATED BENEFITS	12
IRRIGATION SYSTEMS ON WHEELS AND CENTRE PIVOTS	16
FIRE	21
BURGLARY	31
FIDELITY GUARANTEE	34
COMPUTER EQUIPMENT	38
SINGLE TRANSIT – PEDIGREE ANIMALS, LIVESTOCK, GAME AND OSTRICHES	44
SINGLE TRANSIT – GENERAL	47
BUILDINGS COMBINED	50
MONEY	57
PUBLIC LIABILITY (CLAIMS MADE)	62
GLASS	70
GROUP PERSONAL ACCIDENT	72
OFFICE CONTENTS	76
MACHINERY BREAKDOWN	81
MOTOR AND TRAILERS	83
ACCOUNTS RECEIVABLE	95
BUSINESS ALL RISKS	97
BUSINESS INTERRUPTION	99
ACCIDENTAL DAMAGE	107
LOSS OF PROFITS (MACHINERY BREAKDOWN)	110
EMPLOYERS LIABILITY	115
SASRIA	117

**REFERENCE IS MADE IN THE SCHEDULE AS TO WHICH SECTIONS OF THIS POLICY ARE APPLICABLE.**

At renewal or revision, policy wordings will not be reissued. This schedule will be updated and reissued as necessary

The schedule only reflects those sections of the policy which apply.

(Your attention is drawn to General Conditions no. 24 Schedule Sums Insured Blank).

At renewal or revision, policy wordings will not be reissued. This schedule will be updated and reissued as necessary together with any section which may have changes.

This policy is underwritten by Renasa Insurance Company Limited Reg. no. 1998/000916/06 FSP Licence No. 15491

SASRIA cover is underwritten by SASRIA Limited Reg. No. 1979/000287/06



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## GENERAL CONDITIONS AND EXCEPTIONS

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### Operative Clause

In consideration of the payment of the premium by or on behalf of the Insured, Renasa Insurance Company Limited (hereinafter called "the Company") agrees to indemnify or compensate the Insured by payment or at the option of the Company by replacement, reinstatement or repair in respect of the Defined Events occurring during the period of insurance and as otherwise provided under the within Sections up to the sums insured, limits of indemnity, compensation and other amounts specified.

Where more than one Insurance Company or Insurer participates in this insurance, the expression "Company" shall be amended to "Insurers" wherever it appears in this Policy. In this event the percentage share of each Insurer will be as expressed in the Schedule of this Policy and the liability of each such Insurer individually shall be limited to the percentage share set against its name.

Any proposal and declaration made by or on behalf of the Insured is the basis of and forms part of this Policy.

The General Exceptions and General Conditions apply in all respects to the insurance granted by this Policy except as they may be varied by any Specific Exceptions, Specific Conditions and Special Provisions in any Section or Schedule thereof.

This insurance contract is conditional upon and will come into effect only following payment of the premium by the Insured and the receipt thereof by or on behalf of the Company.

Premium is payable on or before the inception date or renewal date as the case may be. The Company shall not be obliged to accept premium tendered to it or to any intermediary after such date but may do so upon such terms as it in its sole discretion may determine.

This Policy, Schedules and any Endorsements thereto must be read together as one contract and words and expressions to which specific meanings have been given in any part thereof have these meanings wherever they may appear.

### General Conditions

Subject to the provisions of Section 55 of the

#### 1. Non-Disclosure

Misrepresentation, misdescription or non-disclosure in any material particular shall render voidable the particular item, Section or Sub-Section of the Policy, as the case may be, affected by such misrepresentation, misdescription or non-disclosure.

#### 2. Notification of Alterations

The Insured shall notify the Company immediately in writing of all alterations in the risk and variations in sums insured and any other changes and obtain the Company's acknowledgement of such notification and confirmation of cover under this Policy.

#### 3. Adjustment of Premium

If the premium for any Section of this Policy has been calculated on estimates furnished by the Insured, the Insured shall keep an accurate record containing all particulars relative thereto and shall at all times allow the Company to inspect such record. The Insured shall after the expiry of each period of insurance furnish the Company with such particulars and information as the Company may require. The premium for such period shall thereupon be adjusted and the difference paid by or to the Insured as the case may be (subject to any minimum premium agreed).

#### 4. Prevention of loss

The insured shall take all reasonable steps and precautions to prevent accidents or losses including but not limited to compliance and adherence to laws and regulations which are material to the risk.

The insured warrants that all laws, regulations, by-laws and rules that apply to the business or to any other matter for which cover is provided in terms of this policy (irrespective of whether the laws, regulations, by-laws and rules are in force at the date the policy is issued, or are enacted after that date) shall be adhered to at all times. The failure to adhere to any applicable law, regulation, by-law or rule shall entitle the company to reject any claim where such failure is material to the claim.

#### 5. Other Insurance

If at the time of any event giving rise to a claim under this Policy, insurance exists with any other insurers covering the Insured against the Defined events, the Company shall be liable to make good only a rateable proportion of the amount payable by or to the Insured in respect of such event. If any such other insurance is subject to any condition of average this Policy, if not already subject to any condition of average, shall be subject to average in like manner.

#### 6. Change of Interest

This Policy shall be void with respect to any item thereof in regard to which there be any alteration after the commencement of this insurance whereby the Insured's interest ceases except by will or operation of law, unless notice has been given to the Company in writing as soon as practicable after such alteration and an additional premium paid if required.



## 7. Claims

### (a) Notice

The Insured shall on the happening of any event which may result in a claim under this Policy at their own expense give notice thereof to the Company as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured and shall as soon as practicable after the event or such further time as the Company may in writing allow, submit to the Company a claim in writing and give the Company such proofs, information and sworn declarations as the Company may reasonably require.

### (b) Unlawful Use, Theft, Burglary, Loss or Malicious Damage to Property

In the event of any claim involving unlawful use of a motor vehicle or any theft or burglary of or loss or malicious damage to property the Insured or the person in whose control or under whose custody such articles are shall report the occurrence to the Police immediately or within 30 days in the area where the loss has occurred and take all possible steps to trace the guilty party and to recover the stolen or lost property.

### (c) Injuries

In respect of any claim for personal injury under this Policy where such cover is granted all certifications, information and evidence required by the Company shall be furnished at the expense of the Insured and an injured person shall as often as required by the Company submit to medical examination at the Company's expense. The Company shall in the case of death be entitled to have a post mortem examination carried out.

### (d) Legal Processes

The Insured shall immediately advise the Company of any impending prosecution or inquest and forward to the Company immediately any notice of claim or any communication, writ criminal and/or civil summons and/or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.

### (e) No Admission of Liability

The Insured shall not incur any expense (except as specifically provided for in this Policy) in making good any damage without the written consent of the Company, and shall not negotiate, pay, settle, admit or repudiate any claim or accept liability without such consent and may under no circumstances whatsoever consent to the Jurisdiction of any court without prior written permission from the Company.

### (f) Prescription

- (i) The Company shall not be liable for any loss or damage (other than a claim under the Business Interruption, Fidelity Guarantee, Personal Accident, Stated Benefits or Group Personal Accident Sections or the Personal Accident (Assault) Extension under the Money Section, if applicable) after the expiry of 24 (twenty four) months from the occurrence of loss or damage unless the claim is the subject of a pending court action or arbitration or unless the claim is in respect of the Insured's liability against a third party.
- (ii) If the Company repudiates liability in respect of any claim and a summons is not served upon the Company within 6 (six) months after such repudiation or in the event of arbitration taking place in terms of General Condition 14 of this Policy within 6 (six) months after the arbitrator(s) or umpire has passed judgement all benefits in terms of this Policy in respect of such claim shall be forfeited.

### (g) Limit of Liability

The Company shall not be liable under more than one Section of this Policy in respect of liability, loss or damage arising from the same happening in respect of the same liability, loss or damage except where cover is granted for Personal Accident, Stated Benefits or Group Personal Accident Benefits.

## 8. Fraud

If any claim or part thereof under this policy is in any way fraudulent, or if any fraudulent means or devices are used by you or anyone acting on your behalf to obtain a benefit under this policy (whether successfully or not), or if any event is caused by or arises out of your intentional conduct, or any person acting on your behalf or with your connivance and/or

Any fraudulent information and/or documentation, whether created by you or any other party is provided by you or acting on your behalf or with your connivance to us in substantiation or support of any claim under this policy and whether or not the claim itself is fraudulent, and/or

The quantum, in whole or part, of any claim is exaggerated by any degree whatsoever by you or anyone acting on your behalf or with your connivance, for any reason whatsoever and whether or not the claim itself is fraudulent:

Then

Any and all benefit afforded in terms of this policy in respect of such claim shall be forfeited and we shall have no liability whatsoever to you or any other party in respect of such claim in its totality.



## 9 Company's Rights after an Event

- (a) On the happening of any event in respect of which a claim is or may be made under this Policy, the Company and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the Company to rely upon any conditions of this Policy
  - (i) take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence of the Insured to the Company to do so. The Insured shall not be entitled to abandon any property to the Company whether taken possession of by the Company or not;
  - (ii) take over and conduct in the name of the Insured the defence or settlement of any claim and prosecute in the name of the Insured for their 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 the Insured without the written consent of the Company.
- (b) The Insured shall, at the expense of the Company, do and permit to be done all such things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights to which the Company shall be, or would become, subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification.
- (c) In respect of any Section of this Policy under which an indemnity is provided for liability to third parties, the Company may, upon the happening of any event, pay to the Insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the Company shall thereafter not be under further liability in respect of such event.

## 10. Reinstatement of Cover after a Loss

Not applicable to Stock on a declaration basis, Personal Accident, Personal Liability, Extended Personal Legal Liability, Motor, Public Liability, Group Personal Accident, Stated Benefits, Motorboat, Yacht and Small Craft, Single Transit, Single Transit — General, Single Transit — Pedigreed Animals, Livestock and Game and Deterioration of Stock (Machinery Breakdown) Sections nor to any other Section where it is stated to be not applicable.

In consideration of sums insured/limit of liability not being reduced where applicable by the amount of the loss the Insured shall pay additional premium on the amount of the loss from the date thereof or from the date of reinstatement or replacement (whichever is the later) to expiry of the period of insurance.

## 11. Breach of Conditions

The conditions of this Policy and Sections thereof shall apply individually to each of the risks insured and not collectively to them so that any breach shall render voidable the Section only in respect of the risk to which the breach applies.

## 12. Rights of the Insured

Unless otherwise agreed by endorsement nothing contained in this Policy gives any rights against the Company to any person other than the Insured. Furthermore, the Company is not bound by any passing of the interest of the Insured otherwise than by death or operation of law unless the Company by endorsement declares the insurance to be continued. The extension of the Company's liability in respect of the property of any person other than the Insured gives no rights of claim to the person, the intention being that the Insured must in all cases claim for and on behalf of the person and the receipt by the Insured absolutely discharges the Company's liability.

## 13. Cancellation

This Policy or any Section may be cancelled at any time by the Insured or by the Company

Provided that:

- (a) in the event of cancellation by the Company 30 (thirty) day's notice thereof be given in writing to his/her/their last known address;
- (b) in the event of cancellation by the Insured, immediate notice thereof be given in writing; and should premium be paid at a frequency of more than one premium per annum the Company shall on cancellation retain all such premiums paid. Should the premium, however, be paid annually, the Company shall on exercising its right of cancellation, return to the Insured the premium less the pro rata portion thereof for the period the insurance has been in force, but should the Insured request cancellation, the Insured shall be entitled to a return of the premium less premium at the Company's short period rates for the time the insurance has been in force.

## 14. Arbitration

Should any difference arise between the Company and the Insured or any claimant as to the amount of any claim under this Policy the same shall be referred to arbitration in accordance with the statutory provisions in force at the time and the obtaining of any award shall be a condition precedent to any right of action against the Company.

## 15. Claims Preparation Costs

The Company shall be liable for claims preparation costs which shall mean all reasonable costs and expenses incurred in obtaining, compiling and/or producing information, proof and statements as may be required in accordance with General Condition 7

Provided that:



the liability of the Company shall not exceed R10 000 (ten thousand rand) any one Section or the amount stated in the Schedule to each Section against an item for additional claims preparation costs whichever is the greater.

#### 16. Continuation or cover (where premiums are payable by bank debit order, transmission account or annually in advance)

The premium is due in advance and if it is not received by the Company by due date as set out below this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance (of the first non-payment) unless the insured can show that failure to make payment was an error on the part of the bank or other paying agent.

If you place a stop payment on your premium this policy will automatically be cancelled from the date the premium was due to be paid.

No claims are payable or will be considered where there is outstanding premium due to the Company. An assessor may be appointed to secure the Company's rights and interests. In the event of an assessor being appointed it cannot be construed that the Company will process and/or pay the claim.

##### Monthly policy:

The premium must be paid on the first day of every month, unless otherwise agreed in writing. If we do not receive your first premium on the due date the policy will be cancelled with immediate effect.

If we do not receive your second or subsequent premiums by the due date a 30 (thirty) day grace period will be granted by the Company from such due date for the payment of the outstanding premium. A debit order will be submitted at the next due date for collection of the unpaid debit order and the premium for the next month. If full payment of the double debit is not received your policy will be cancelled automatically from the original due date.

Should you have a claim(-s) during the grace period of 30 (thirty) days, the Company will not process any claim(-s) until you have paid all of the outstanding premiums.

##### Annual policy:

The premium is due and payable on or before the inception or renewal date as the case may be. If we do not receive the premium within 15 (fifteen) days after the due date the policy will lapse automatically and cover will terminate from 24h00 on the day before the due date.

Should the policy lapse it cannot be reinstated and/or cover backdated should payment be tendered after the grace period of 15 (fifteen) days and a new policy will be issued with an inception date of that when premium was received.

#### 17. Payments on Account

In respect of any Section where amounts recoverable from the Company are delayed pending finalisation of any claim, payments on account may be made to the Insured, if required, at the discretion of the Company.

#### 18. Limitations and Amendments

Limitations of and amendments to the clauses, first amounts payable, terms, conditions, exceptions and extensions and premium payable of this Policy or any Section thereof may at any time be made by the Company

Provided that:

thirty days written notice be given thereof to the Insured and Agent/Broker at his/her/their last known address.

#### 19. Jurisdiction Clause

The Company will not indemnify the Insured in respect of:

- (a) damages in respect of judgements 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
- (b) costs and expenses recoverable by any claimant from the Insured which are not incurred in and recoverable in the area described in 19(a) above.

#### 20. Collective Insurance

If this insurance is a collective insurance then the following amendment is made to General Condition 7(a) and 7W) above, "the Insured shall give the Leading Insurer on behalf of the Insurers such proofs, information and sworn declaration as the Insurers may require and forward to the Leading Insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim" and General Condition 9 is substituted by the following "9. Company's rights after an event

- (a) On the happening of any event in respect of which a claim is or may be made under this Policy the Leading Insurer and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the Insurers to rely upon any conditions of this Policy
  - (i) take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This Condition shall be evidence of the leave and licence of the Insured to the Lead Insurer on behalf of all Insurers to do so. The Insured shall not be entitled to abandon any property to the Insurers whether taken possession of by the Leading Insurer or not
  - (ii) take over and conduct in the name of the Insured the defence or settlement of any claim and prosecute in the name of the Insured for their 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 the Insured without the written consent of the Leading Insurer.

- (b) The Insured shall, at the expense of the Insurers, do and permit to be done all such things as may be necessary or reasonably required by the Insurers for the purpose of enforcing any rights to which the Insurers shall be or would become subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification.
- (c) In respect of any Section of this Policy under which an indemnity is provided for liability to third parties, the Insurers may, in the case of any event, pay to the Insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the Insurers shall thereafter not be under further liability in respect of such event".

## 21. First Amount Payable

Except where provided for specifically in any Section, the amount payable under this Policy/section for each and every loss, damage or liability shall be reduced by the First Amount Payable shown in the Schedule for the applicable Defined Event.

## 22. Members

Wherever the word "director" is used it is deemed to include "member" if the Insured is a close corporation.

## 23. Holding Covered

If the Company is holding covered on a risk they will not reject a claim on the basis that the premium has not been agreed.

## 24. Schedule Sums Insured Blank

If, in a Schedule of this Policy, the sum insured, limit of indemnity or compensation is:

- (i) left blank or has no monetary amount stipulated against it;
  - (ii) reflected as nil or not applicable or not covered or no indemnity extended;
- this means the Defined Event or circumstance shown in the Schedule is not insured by the Policy.

## 25. Security Firms

If an employee of a security firm employed by the Insured under a contract causes loss or damage, the Company agrees, in terms of the said contract the Insured may not claim against the said security firm, not to exercise their rights of recourse against the said security firm.

The Company shall not raise as a defence to any valid claim submitted under any Section or Subsection of this Policy that the Company's rights have been prejudiced by the terms of any contract entered into between the Insured and any security provider relating to the protection of the insured property.

## General Exceptions

### 1. War, Riot and Terrorism

A This Policy does not cover loss of or damage to property related to or caused by:

- (i) civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the a foregoing;
- (ii) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
- (iii) (a) mutiny, military rising, 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;
- (b) insurrection, rebellion or revolution;
- (iv) 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;
- (v) 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;
- (vi) any attempt to perform any act referred to in clause (iv) or (v) above;
- (vii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause 1(A)(i), (ii), (iii), (iv), (v) or (vi), above.

If the Company alleges that, by reason of clause 1(A)(i), (ii), (iii), (iv), (v), (vi) or (vii) of this Exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

B This Policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No 85 of 1976), or any similar Act operative in any of the territories to which this Policy applies.

Notwithstanding any provision of this Policy including any Exclusion, Exception or Extension or other provision not included herein which would otherwise override a General Exception, this Policy does not cover loss 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.



For the purpose of clause 1(C) 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.

If the Company alleges that by reason of clause 1(C) of this General Exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

## 2. Nuclear Losses

Except as regards the Fidelity Guarantee Section, this Policy does not cover any legal liability, loss, damage, cost or expense whatsoever or consequential loss directly or indirectly caused by or contributed to by or arising from:

- (a) ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- (b) nuclear material, nuclear fission or fusion, nuclear radiation;
- (c) nuclear explosives or any nuclear weapon;
- (d) nuclear waste in whatever form;

regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this Exception only, combustion shall include any self-sustaining process of nuclear fission.

## 3. Asbestos Exclusion

This Endorsement is applicable to the Public Liability, Employers Liability and Sub-Section D (Liability) of the Buildings Combined Sections as well as the Extended Personal Legal Liability Section of the Policy.

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.

## 4. 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.

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.

## Special extension to General Exception 3

1. Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to below or indemnified by the Glass, Employer's Liability, Stated Benefits, Group Personal Accident or Motor section is not excluded by this General Exception.

The special perils that are not excluded for the purpose of this special extension are damage caused by:

1. storm, wind, water, hail or snow excluding damage to property





- (a) arising from its undergoing any process necessarily involving the use or application of water;
  - (b) caused by tidal wave originating from earthquake;
  - (c) in the underground workings of any mine;
  - (d) in the open (other than buildings structures and plant
  - (e) designed to exist or operate in the open);
  - (f) in any structure not completely roofed;
  - (g) being retaining walls;
- } Unless so described and specifically insured as a separate item.
- 2. aircraft and other aerial devices or articles dropped therefrom;
  - 3. impact by 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.

These special perils do not cover wear and tear or gradual deterioration.

- 2. General Exception 3 also does not apply to consequential loss as insured by any Business Interruption indemnity provided by this policy to the extent that such consequential loss results from damage to insured property by the perils referred to in Special extension A above.
- 3. This Special extension will not insure any loss destruction, damage or consequential loss if it would not have been insured in the absence of this Computer Losses General Exception and this Special extension.
- 4. This Special extension shall not apply to any Public Liability indemnity.

**1. Cyber Loss Limited Exclusion (Property) to Fire, Buildings Combined, Office Contents, Goods in Transit, Business All Risks, Accidental Damage, Motor, Motor Traders, Electronic Equipment and any other Property Classes (LM5410)**

Notwithstanding any provision to the contrary within this reinsurance 1.1 any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System, unless subject to the provisions of paragraph 2 hereunder;

- 1. any loss of use, reduction in functionality, repair, replacement, agreement or any endorsement thereto, this reinsurance agreement excludes all loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:  
restoration or reproduction of any Data, including any amount pertaining to the value of such Data, unless subject to the provisions of paragraph 3 hereunder.
- 2. Subject to the other terms, conditions and exclusions contained in this reinsurance agreement, this reinsurance agreement will cover physical loss of or damage to property insured under the original policies and any Time Element Loss directly resulting therefrom where such physical loss or damage is directly occasioned by any of the perils covered by this reinsurance agreement.
- 3. Notwithstanding the Physical Damage Proviso contained in this reinsurance agreement but subject to the other terms, conditions and exclusions herein: in the event that a Computer System insured under an original policy sustains physical loss or damage caused by any of the perils covered by this reinsurance agreement which results in loss of or damage to Data stored thereon, then the loss of or damage to such Data will be recoverable hereunder. However, the basis of valuation for the recovery of the lost or damaged Data under this reinsurance agreement shall only be the costs of reproducing the Data if such costs are indemnified under the original policy concerned. Such costs shall include all reasonable and necessary expenses incurred in recreating, gathering or assembling such Data, but shall not include any amount pertaining to the value of the Data to the original insured or to any other party even if such Data cannot be recreated, gathered or assembled.

**Definitions**

- 1. **Computer System** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.
- 2. **Data** means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
- 3. **Time Element Loss** means business interruption, contingent business interruption or any other consequential losses.

**2. Cyber Clause Casualty applicable to Employers Liability, Products Liability and Public Liability LMA5452A**

Notwithstanding any provision to the contrary within this Reinsurance Agreement or any endorsement thereto this Reinsurance Agreement excludes any Cyber Loss regardless of any other cause or event contributing concurrently or in any other sequence thereto, unless subject to the provisions of paragraph 2.

Subject to the other terms, conditions and exclusions contained in this Reinsurance Agreement, this Reinsurance Agreement will cover losses arising from legal liability of the insured and statutory liability in the case of Employers' Liability caused by or arising out of a Cyber Act or a Cyber Incident which result in bodily injury or disease to third parties or physical damage to third party property up to the limits contained within this Reinsurance Agreement.



This endorsement is applicable to the following classes of business:

- (a) Employers' Liability;
- (b) Products Liability;
- (c) Public Liability.

For the avoidance of doubt, other than where coverage is provided in paragraph 2, any loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any DATA, including any amount pertaining to the value of such DATA shall not be recoverable hereunder, nor be considered as physical loss or damage for the purposes of this exclusion clause or any other part of this Reinsurance Agreement.

Any recoveries, collectibles or retention from any other form of insurance or reinsurance, whether specific, general or which may overlap including deductibles or self-insured retention which protects the Reinsured in respect of any CYBER LOSS (hereinafter "Other Recoveries") shall inure to the benefit of the Reinsurer in all cases and this contract shall not respond until all Other Recoveries are exhausted. The liability of Reinsurers' in respect of loss or losses covered hereunder shall not be increased by any reason of the inability of the Reinsured to collect any amounts from Other Recoveries.

### Definitions

**Cyber Loss** means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.

**Cyber Act** means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computers

**Cyber Incident** means:

- (a) any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
- (b) any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.

**Computer System** means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, Data storage device, networking equipment or back up facility.

**Data** means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

### 3. Physical Damage Proviso

The Insurers obligation to indemnify shall be restricted to claims resulting from:

- (a) property insurances, insofar as they cover financial losses arising from the physical loss of or physical damage to the tangible insured property caused by an insured peril, and
- (b) property business interruption insurances, insofar as they cover interruption directly caused by physical loss of or physical damage to the tangible insured property caused by an insured peril or directly caused by physical loss of or physical damage to tangible property at the premises of a customer or supplier of the insured.

Physical damage is understood to mean a detrimental change in tangible property substance in a manner necessitating repair, rebuilding or replacement. For the avoidance of doubt, pure loss of use (without preceding physical loss or damage) such as the inability to use or restrictions in the use of a building or an object as well as the simple non-functioning of an object, shall not constitute a physical loss or damage.

Notwithstanding the foregoing it is understood that coverage hereunder for property business interruption extends to other premises and/or situations as described in "Extension to Other Premises" (a ) to (i) provided the extensions are selected and premium paid accordingly.

### 4. Asbestos (applicable to Public Liability Section, Employers Liability Section and Sub-section D (Liability) of Buildings Combined Section.

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 legal liability, loss, damage, costs and expenses 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.

### 5. Detention, Confiscation and Forfeiture

This policy does not cover any loss, damage, costs or expense directly or indirectly arising from detention, confiscation, forfeiture, impounding or requisition legally carried out by customs, SA Police Services, crime prevention units or other officials or authorities.



## 6. Pollution and Contamination Exclusion

This policy does not cover any loss, damage, costs or expense directly or indirectly arising from contamination, pollution, soot, deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, epidemic or disease or due to any limitation or prevention of the use of objects because of hazards to health.

This exclusion does not apply if such loss or damage arises as a direct consequence of

- (a) the perils
  - (i) fire, lightning, explosion, impact of aircraft;
  - (ii) vehicle impact, sonic boom;
  - (iii) accidental escape of water from tank apparatus or pipes;
  - (iv) malicious damage;
  - (v) storm, hail;
  - (vi) flood, inundation;
  - (vii) earthquake;
  - (viii) landslide, subsidence;
  - (ix) snow pressure, avalanche;

or

- (b) a physical damage of the type insured by the original policy which occurred on the insured premises.

If a peril not excluded from the original policy arises directly from pollution and/or contamination any loss or damage arising directly from that peril shall be covered.

All other terms and conditions of the policy shall be unaltered and especially the exclusions shall not be superseded by this clause.

## 7. Terrorism Contamination and Explosive Exclusion

It is agreed, that regardless of any contributory causes, this policy does not cover any loss, damage, costs or expenses directly or indirectly arising out of

- (a) biological or chemical contamination;
- (b) missiles, bombs, grenades, explosives;

due to any act of terrorism.

For the purpose of this endorsement an act of terrorism means an act, including but not limited to use of force or violence and/or threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organisation(s) or government(s) and/or to put the public, or any section of the public, in fear.

For the purpose of a "contamination" means the contamination, poisoning or prevention and/or limitation of use of objects due to the effects of chemical and/or biological substances.

If the company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this policy the burden of proving the contrary shall be upon the insured.

## 8. Communicable Disease Exclusion Property applicable to Fire, Buildings Combined, Office Contents, Goods in Transit, Business All Risks, Accidental Damage, Motor, Motor Traders, Electronic Equipment and any other Property Classes (LMA5394)

- (a) Notwithstanding any provision to the contrary within this reinsurance agreement, this reinsurance agreement excludes any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- (b) As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
  - (i) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation there whether deemed living or not, and
  - (ii) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

## 9. Communicable Disease Exclusion Casualty applicable to Money, Glass, Fidelity, Public Liability, Employers Liability, Stated Benefits, Group Personal Accident, and any other Casualty Classes (LMA5399)

Notwithstanding any provision to the contrary within this reinsurance agreement, this reinsurance agreement excludes all actual or alleged loss, liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount incurred by or accruing to the reinsured, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.



As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

- (a) the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
- (b) the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and 2.3. the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress or damage to human health, human welfare or property damage

#### 10. Sanction limitation and exclusion clause

This insurance shall not be deemed to provide cover and the company shall not 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 that Company 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, United States of America or South Africa.

#### 11. Electrical Grid failure and any subsequent consequential loss or damage following

Notwithstanding any provision to the contrary in this policy or any endorsement thereto, the insurance provided by this policy excludes any loss, damage, liability, cost or expense of whatsoever nature, including any consequential losses in terms of any section of this policy, directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any electricity grid interruption. Electricity grid interruption means a total or partial interruption, interference, suspension, blackout, and/or failure of the electricity supply from the national, regional, or private grid to the electricity grid of South Africa to any Business of the Insured by any cause whatsoever.

This exclusion does not apply to Load Shedding events of which the subsequent loss, damage or injury may be covered by the Policy.



## STATED BENEFITS

### Defined Events

If any principal, partner, director or employee of the Insured (hereinafter in this Section referred to as such person) specified in the Schedule should sustain any bodily injury caused by accidental, violent, external and visible means arising from and in the course of his/her employment in the business the Company will pay to the Insured, on behalf of such person or his/her estate, the compensation stated in the Schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 (twenty four) calendar months in death or disability as specified in the Schedule under the heading circumstances.

### Compensation

A	Death	The amount equal to the number of times the average weekly earnings stated in the Schedule
B	Permanent disability shall mean	Percentage of compensation
(a)	by physical separation at or above the wrist or ankle of one or more limbs	100
(b)	permanent and total loss of whole of one or both eyes sight of one or both eyes sight of eye except perception of light	100 100 75
(c)	permanent and total loss of hearing both ears one ear	100 25
(d)	permanent and total loss of speech	100
(e)	injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training or being permanently bedridden	100
(f)	loss of four fingers	70
(g)	loss of thumbs both phalanges one phalanx	25 10
(h)	loss of index finger both phalanges two phalanges one phalanx	10 8 4
(i)	loss of middle finger both phalanges two phalanges one phalanx	6 4 2
(j)	loss of ring finger both phalanges two phalanges. one phalanx.	5 4 2
(k)	loss of little finger both phalanges two phalanges. one phalanx.	4 3 2
(l)	loss of metacarpals first or second (additional) third, fourth or fifth (additional).	3 2
(m)	loss of toes all on one foot. great, both phalanges great, one phalanx. other than great, if more than one toe lost, each	30 5 2 2
(n)	burns disfigurement	



permanent disfigurement resulting from (i) 100% of the surface area of the head and/or neck. (ii) 100% of the surface area of the remainder of the body	50 25
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### Memoranda

1. Where the percentage disfigurement under (n)(i) or (n)(ii) is less than 100% (one hundred percent) of the surface area the Company will apply to the benefit concerned a percentage based on the extent that actual disfigurement bears to 100% (one hundred percent) disfigurement.
2. The Company shall not be liable under (n)(i) or (n)(ii) above unless the extent of disfigurement exceeds 10% (ten per cent) individually under (n)(i) or (n)(ii) above nor until the permanent effect of medical and/or surgical treatment has been established.
3. Where the injury is not specified, the Company will pay such sum as, in their opinion, is consistent with the above provisions.
4. Permanent total loss of use of part of the body shall be treated as loss of such part.
5. 100% (one hundred percent) shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

**Temporary Total Disability** shall mean total and absolute incapacity from following usual business or occupation.

**Medical Expenses** shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 (twenty four) months of the Defined Event.

**Annual earnings** shall mean the annual rate of wage, salary and cost of living allowance being paid or allowed by the Insured to such person at the time of accidental bodily injury, plus overtime, house rents, food allowances, commissions and other considerations of a constant character paid or allowed by the Insured to such person during the 12 (twelve) months immediately preceding the date of accidental bodily injury.

**Average weekly earnings** shall mean one fifty-second part of annual earnings

Provided that:

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for Death or Permanent Disability (whichever is the higher) plus any compensation payable for Temporary Total Disability and Medical Expenses;
2. the compensation specified for Temporary Total Disability shall be payable for not more than the number of weeks stated in the Schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this Section shall not apply to any such person under 15 (fifteen) or over 75 (seventy five) years of age;
4. any compensation payable by the Company for any period of Temporary Total Disability or for Medical Expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any Workmen's Compensation Enactment for Temporary Total Disability for the same or a lesser period or in respect of Medical Expenses;
5. after suffering accidental bodily injury for which compensation may be payable under this Section, such person shall, when reasonably required by the Company so to do, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. General Conditions 5 and 10 do not apply to this Section;
7. in respect of this Section only, General Exception 1 is deleted and replaced by the following:  
 "This Section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power";
8. no compensation shall be payable
  - (i) for Temporary Total Disablement where the period of disablement is less than 7 (seven) consecutive days;
  - (ii) for Medical Expenses where such expenses are less than R100 (one hundred rand);
9. compensation for Temporary Total Disablement and Medical Expenses shall cease immediately:
  - (i) when compensation becomes payable for Death;
  - (ii) when compensation becomes payable for Permanent Disability provided the bodily injury which resulted in the disablement has been cured or healed as far as reasonably possible.

### Extensions

#### 1. Exposure

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.



## 2. Disappearance

In the event of the disappearance of any such person in circumstances which satisfy the Company that he/she has sustained injury to which this Section applies, and that such injury has resulted in the death of such person, the Company will, for the purposes of the insurance afforded by this Section, presume his/her death provided that if, after the Company shall have made payment hereunder in respect of such person's presumed death, he/she is found to be alive, such payment shall forthwith be refunded by the Insured to the Company.

## 3. Life Support

The 24 (twenty four) calendar months period stated under Defined Events shall not include any period or periods where such person's death is delayed solely by the use, for a period or periods of not less than 3 (three) consecutive days, of life support machinery, equipment or apparatus.

## 4. Repatriation

The Company will pay, in addition to the compensation payable for Death, reasonable and necessary expenses for the repatriation of such person's body to his/her normal place of residence up to an amount not exceeding R5 000 (five thousand rand).

## 5. Funeral Expenses

In the event of an accident giving rise to a Death claim the Company will pay to such person's estate R3 000 (three thousand rand) as a contribution to funeral expenses.

## 6. Passive War Cover (if stated in the Schedule to be included)

In consideration of the payment of an additional premium and notwithstanding anything stated herein to the contrary this Section is extended to provide cover to an such person caused by violent, accidental, external and visible means arising from war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, terrorist activities including explosive devices planted by terrorists. It being understood that terrorist activity shall mean the deliberate systematical murder, maiming and menacing of the innocent to inspire fear in order to gain political ends, but excluding cover consequent upon such person directly and actively participating or engaging in such activities whether whilst serving in the armed forces except peace time military training or otherwise save, where applicable, to the extent only of adopting or taking such action or steps as were reasonably necessary for the protection of himself/herself, his/her family or his/her employer's property.

## 7. 24 Hour Cover (If stated in the Schedule to be included)

In consideration of the payment of an additional premium the words "Arising from and in the course of his/her employment in the business" stated in the Defined Events of this Section are cancelled.

## 8. Mobility

In the event of the Company admitting a claim in terms of Compensation B - Permanent Disability 1 and as a direct result of that disability such person is permanently dependent on a wheelchair for mobility, the Company will, in addition to any amount payable for Permanent Disability, compensate for:

- (i) a self-propelled wheelchair and/or;
- (ii) the modification of the controls to such person's motor vehicle and/or;
- (iii) if necessary, the fitting of wheelchair loading equipment to such person's private vehicle and/or;
- (iv) alterations to such person's private residence to facilitate the use of such wheelchair up to an amount but not exceeding R10 000 (ten thousand rand) any one occurrence.

The above maximum amount payable any one occurrence will apply notwithstanding General Condition 7(g) Limit of Liability.

## Specific Conditions

### Declaration of Earnings

The first premium and all renewal premiums under this Section that may be accepted are to be regulated by the amount of earnings as defined in this Section paid or allowed to the employees by the Insured during each period of insurance and such payment must be duly recorded in a proper wage book against the name of each employee. The Insured shall at all times allow the Company to inspect such books and shall supply the Company with a correct account of all such payments during any terms of insurance within one month from the expiry of such term of insurance and if the total amount so paid or allowed shall differ from the amount on which premium has been paid the difference in premium shall be paid by a further proportionate payment to the Company or by a refund by the Company as the case may be.

### Specific Exceptions

The Company shall not be liable to pay compensation for Death, Disability or Medical Expenses in respect of such person:

- (a) while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- (b) by his/her suicide, attempted suicide or intentional self-injury;
- (c) caused solely by an existing physical defect or other infirmity of such person;



- (d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself/herself) or as a result of such person's driving a motor vehicle whilst his/her blood alcohol percentage exceeds the statutory limit at the time of the occurrence;
- (e) as a result of his/her participation in any riot or civil commotion;
- (f) as a result of insanity, any form of neurosis, acquired immune deficiency syndrome (AIDS), venereal disease, any physical defect or weakness, malignant disease of the mammary glands, pregnancy, childbirth, abortion or miscarriage, or any complication or sequelae thereof;
- (g) while he/she is, or as a result of his/her engaging in:
  - (i) motor cycling, motor quad cycling or motor tricycling (whether as a driver or passenger) other than on the business of the Insured;
  - (ii) racing of any kind involving the use of any power driven
    - (aa) vehicle
    - (ab) vessel
    - (ac) craft;
  - (iii) mountaineering necessitating the use of ropes or a guide, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football, hang-gliding, parachuting, skydiving, bungee jumping, wrestling, boxing, scuba diving, water-skiing or martial arts;
- (h) by his/her involvement or participation in any defence force and/or armed forces training, service, exercises or operations except peace time military training;
- (i) as the result of an accident attributable to such person's serious and wilful misconduct;
- (j) whilst such person is using or as a result of such person's use of woodworking machinery other than as a domestic hobby;
- (k) whilst such person is engaged in, or as a result of such person engaging in mining, shaft sinking, underground mining operations, or the manufacture or use of explosives.





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## IRRIGATION SYSTEMS ON WHEELS AND CENTRE PIVOTS

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### Sub-section A - Loss or Damage

#### Defined Events

Loss of or damage to any vehicle described in the Schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the Company will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the prior consent of the Company to the extent of but not exceeding R3 000 (three thousand rand) over and above the amount of the First Amount Payable for which the Insured is responsible under this Sub-Section provided that a detailed estimate is first obtained and immediately forwarded to the Company. The Company will also pay the reasonable cost of delivery to the Insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe or Malawi.

#### Basis of indemnity

1. If the damage can be repaired the Company will pay the cost of restoration to working order based on the customary daily rates of wages in the district and normal freight, erection and custom dues.
2. If the vehicle is totally destroyed the Company will pay the market value of the vehicle immediately before the accident and the cost of removing the damaged vehicle less the value of the remains. The vehicle shall be regarded as totally destroyed if the repair costs as defined in 1 above equal or exceed its market value immediately before the accident.
3. The Company may at its option repair reinstate or replace any damaged vehicle or pay the amount of the damage in cash

Provided that

- (a) where damage is restricted to a part or parts of an vehicle the Company will not be liable to pay a greater amount than the value of the part or parts allowed for in the sum insured plus dismantling re-erection and freight expenses
- (b) the sum insured for each vehicle specified in the Schedule shall at all times be equal to the new replacement value
- (c) if at the time of the damage the sum insured is lower than the new replacement value then the Insured will be considered to be his/her/their own insurer for the difference and will bear a rateable share of the loss accordingly. Every vehicle will be separately subject to this Condition

Provided further that

- (i) the limit of indemnity for each vehicle is as stated in the Schedule and shall be the maximum amount payable by the Company in respect of such loss or damage, but shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such loss or damage
- (ii) in the event of any part, accessory or fitment needed to replace damage to the vehicle being unprocurable in the Republic of South Africa, Namibia and Botswana as a standard (ready manufactured) article, the liability of the Company shall be met by the payment of a sum equalling the value of such part, accessory or equipment at the time of the accident but not in any case exceeding the manufacturer's latest list price as well as import cost for such part accessory or fitment
- (iii) if, to the knowledge of the Company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of such loss or damage
- (iv) in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion) under this Sub-Section, the Insured shall be responsible for the First Amount Payable stated in the Schedule of any expenditure (or any less expenditure which may be incurred) for which provision is made under this Sub-Section (including any payment in respect of costs, expenses and fees), and of any expenditure by the Company in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the Company shall include any First Amount Payable for which the Insured is responsible, such amount shall be paid by the Insured to the Company forthwith.

#### Exceptions to Sub-Section A

The Company shall not be liable to pay for;

- (a) consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a Defined Event or otherwise, wear and tear, mechanical, electronic or electrical break-downs, failures or breakages
- (b) damage to tyres by road punctures, cuts or bursts
- (c) detention, confiscation or requisition by customs or other officials or authorities.



## Sub-section B - Liability to Third Parties

### Defined Events

Any accident caused, by or through or in connection with any vehicle described in the Schedule or in connection with the loading and/or unloading of such vehicle in respect of which the Insured becomes legally liable to pay all sums including claimant's costs and expenses in respect of;

- (i) death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the Insured arising from and in the course of such employment or being a member of the same household as the Insured
- (ii) damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured.

The Company will also, in terms of and subject to the limitations of and for the purposes of this Sub-Section;

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this Sub-Section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this Sub-Section, provided that the total of the Company's liability under both this Extension and Sub-Section B shall not exceed the limit of indemnity stated to apply to Sub-Section B
2. indemnify any person who operates or controls such vehicle on the Insured's order or with the Insured's permission provided that:
  - (a) such person shall, as though he/she/they were the Insured, observe, fulfil and be subject to the Terms, Exceptions and Conditions of this insurance in so far as they can apply
  - (b) such person operating or controlling such vehicle has not been refused any motor insurance or continuance thereof by any insurer
  - (c) indemnity shall not apply in respect of claims made by any member of the same household as such person
  - (d) such person is not entitled to indemnity under any other Policy except in respect of any amount not recoverable thereunder.

### Specific Exceptions to Sub-Sections B

The Company shall not be liable under this Sub-Section in respect of;

- (a) so much of any compensation or claim as falls within the scope of any Compulsory Motor Vehicle Insurance Enactment. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected
- (b) death of or injury to any person being carried in or upon or entering or getting onto or alighting from such vehicle at the time of the occurrence of the event from which any claim arises
- (c) liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant.

### Limits of indemnity

Unless otherwise stated, the liability of the Company under this Sub-Section in respect of any one occurrence shall not exceed the limits of indemnity as stated in the Schedule.

### Definitions

#### 1. Occurrence

The term occurrence shall mean an occurrence or series of occurrences arising from one cause in connection with any one vehicle in respect of which indemnity is provided by this insurance.

#### 2. Vehicle

The term vehicle shall mean;

- (a) Irrigation systems on wheels (with any form of propulsion)  
and
- (b) centre pivots  
including
- (c) fixtures and fittings attached thereto or thereon  
excluding
- (d) underground pipe lines, cables and harnesses, compressor- and impeller systems, pumps and similar equipment related thereto beneath the ground.

#### 3. Third Party

For the purpose of this Insurance the term "Third party" shall mean Third Party as described in Sub-Section B — Liability to Third Parties.



#### 4. Third Party and Fire

For the purpose of this Insurance the term “Third party and Fire” shall mean:

- (i) third party as described in Sub-section B — Liability to Third Parties  
plus
- (ii) fire, self-combustion, lightning or explosion including special perils as described in Section 10 - Fire of this Policy.

#### 5. Third Party. Fire and Theft

For the purpose of this Insurance the term “Third party, Fire and Theft” shall mean:

- (i) third party as described in sub-section B — Liability to Third Parties  
plus
- (ii) fire, self-combustion, lightning or explosion including special perils as described in section 10 - Fire of this Policy.  
plus
- (iii) theft or any attempt thereto.

### Extensions

#### 1. Riot and Strike (If stated in the Schedule to be included)

In consideration of the payment of an additional premium and subject otherwise to the terms and conditions, exclusions, exceptions and warranties contained therein, this Section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A)(i), (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 (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

#### 2. Fire Extinguishing Charges

Any costs (not exceeding R5 000 (five thousand rand)) 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 insured property was in danger from the fire.

#### 3. Wreckage Removal

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a Defined Event provided that, in addition to the limit of indemnity under Sub-Section A of this Section, the limit of the Company’s liability under this Extension shall not exceed, in respect of any one occurrence, the amount of R2 000 (two thousand rand) or the limit stated in the Schedule whichever is the greater.

#### 4. Credit Shortfall

If any total loss settlement under Sub-Section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the Company will pay to the Insured an additional amount equal to the shortfall less:

- (a) any arrears instalments or rentals including interest payable on such arrears
- (b) all refunds of premium for cancellation of any insurance cover relating to the vehicle
- (c) the increased instalments or rental that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled
- (d) the First Amount Payable under Sub-Section A

Provided that:

- (i) the amounts payable shall not exceed the maximum indemnity less the First Amount Payable under Sub-Section A
- (ii) this Extension shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% (ten percent) from any other instalment



- (iii) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this Extension shall be void.

## 5. Damage to Tyres

The cover under this Section is extended to include total loss of and irreparable damage to the tyres of the vehicle stated in the Schedule which are insured comprehensively as a result of damage caused by any unseen or concealed object whilst on the land or any other surface

provided that:

- (a) the liability of the Company is limited to a maximum of R3 000 (three thousand rand) per tyre unless the value per tyre which exceeds R3 000 (three thousand rand) is stated in the Schedule
- (b) the Insured shall be responsible for the first 10% (ten percent) with a minimum of R200 (two hundred rand) of each and every claim
- (c) the Insured shall at his own expense have all damage and wear and tear assessed by one or more reputable retreaters to assess whether a tyre can be repaired or not and what the extent of wear and tear is.

The provisions of this Section relating to First Amount Payable and No Claim Rebate shall not apply to this Extension.

## Memoranda

### 1. Premium Adjustment

Specified vehicles

If a vehicle insured hereunder is disposed of and another vehicle substituted in place thereof during the currency of this Section no adjustment of premium shall be made

provided that:

the insured values and extensions applicable to the vehicles concerned do not differ. If the values insured increase or decrease with the replacement and extensions added or deleted then the premium will be adjusted accordingly.

### 2. War

In respect of Sub-Section B General Exception 1 is deleted and replaced by the following:

“This Section does not cover war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny insurrection, rebellion, revolution, military or usurped power”.

### 3. Description of Use

Vehicles used by the Insured exclusively for farming purposes for own use only.

The indemnity to the Insured in connection with any vehicle shall be operative whilst such vehicle is in the custody or control of a member of the motor trade for the purpose of overhaul, upkeep or repair excluding hiring.

### 4. Maintenance of Vehicle

The Insured or anyone acting on behalf of the Insured and/or any person operating and/or controlling the vehicle with the knowledge and consent of the Insured or anyone acting on behalf of the Insured shall take all reasonable steps to safeguard any vehicle described in the Schedule from loss or damage and to maintain it in an efficient condition and also make sure that regular maintenance inspections are carried out on such vehicles to ensure the effective functioning thereof

Provided that:

- (a) the Company shall at all times have free access to examine such vehicle. In the event of any accident or breakdown such vehicle shall not be left unattended without proper precaution being taken to prevent further damage or loss and if such vehicle be used before the necessary repairs are effected any increase of the damage or further damage to such vehicle shall be entirely at the Insured's own risk
- (b) cover in respect of all vehicles older than 5 (five) years and annually thereafter is subject to a comprehensive report by an engineer or an authorised and approved agent/representative of the manufacturer in which it is confirmed that such vehicle is in a sound working condition and that no repair work is necessary and also to determine the degree of deterioration
- (c) the name of the manufacturer must in all cases be submitted to the Company before commencement of cover.

### 5. Waiver of Subrogation Rights

For the purposes of this Section, the Company waives all rights of subrogation or action which they may have or acquire against any other person to whom the indemnity hereunder applies, and each such person shall observe, fulfil and be subject to the Terms, Exceptions and Conditions (both General and Specific) of this insurance in so far as they can apply.

### 6. Principals

Notwithstanding Specific Exception 2 of this Section, the indemnity under Sub-Section B extends to indemnify, to the extent required by the conditions of any contract of the Building Industries Federation of South Africa, and in connection with any liability arising from the performance of such contract, any principal named in such contract entered into by the Insured for the purposes of the business, provided that the liability of the Company shall not exceed the limit of indemnity stated in the Schedule.



## 7. Cross Liabilities

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 Insured shall be treated as though separate Policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the limit of indemnity stated in the Schedule.

### Optional Limitations

1. Third Party only Limitation (If stated in the Schedule to be applicable)

Sub-Sections A and the No-Claim Rebate provisions are cancelled.

2. Third Party and Fire Insurance only (If stated in the Schedule to be applicable)

The liability of the Company under Sub-Section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion and the special perils as defined under Section 10 - Fire of the Policy. The No Claim Rebate provisions are cancelled,

3. Third Party, Fire and Theft only (If stated in the Schedule to be applicable)

The liability of the Company under Sub-section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion and the special perils as defined under section 10 - Fire of the Policy or by theft or any attempt thereat. The No Claim Rebate provisions are cancelled.

### Specific Exceptions Applicable To All Sub-Sections

1. The Company shall not be liable for any accident, injury, loss, damage or liability:

- (a) whilst the vehicle is being used with the general knowledge and consent of the Insured otherwise than in accordance with the "Description of Use" clause
- (b) incurred outside the Republic of south Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi. The Company will also indemnify the Insured against loss of or damage to any vehicle while in transit by sea, air or between ports or places in these territories including loading and unloading incidental to such transit

2. The Company shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement



## FIRE

### Defined Events

If the property described in the Schedule or any part thereof owned by the Insured or held by him in trust or on commission for which he is responsible shall be destroyed or damaged by the following perils:

1. fire
2. lightning or thunderbolt
3. explosion

the Company shall pay to the Insured the value of the property at the time of the occurrence of its destruction or the amount of such damage or at its option reinstate, replace or repair such property or any part thereof

Provided that:

the liability of the Company shall in no case exceed in respect of each item the sum stated in the Schedule.

### Extensions (not applicable to paddock and boundary fencing and game and/or ostriches in the open)

#### A. Special Perils

This Section is extended to include loss of or damage to the property as described herein directly caused by:

1. storm, wind, water, hail or snow excluding loss of or damage to property:

- (a) arising from its undergoing any process necessarily involving the use or application of water
- (b) caused by tide wave originating from earthquake
- (c) in the underground workings of any mine
- (d) in the open (other than buildings, structures and plant designed to exist or operate in the open)
- (e) in any structures not completely roofed
- (f) being retaining walls

unless so described and specifically insured as a separate item

2. aircraft, other aerial devices or articles dropped therefrom
3. impact by animals, trees (excluding falling trees whilst contractors are engaged in the felling thereof), aerials, satellite dishes or vehicles excluding destruction of or damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

#### This Extension A does not cover the following:

- (a) wear and tear or gradual deterioration
- (b) destruction or damage caused or aggravated by:
  - (i) leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby;
  - (ii) subsidence or landslip;
  - (iii) the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage.

#### B. Earthquake

This Section is extended to include destruction or damage caused by earthquake but excluding destruction or damage to property in the underground workings of any mine.

#### C. Spontaneous Combustion

This Section is extended to include destruction or damage by fire only of or to the insured property (in respect whereof this Extension is applicable) caused by its own spontaneous fermentation, heating or combustion.

#### D. Malicious Damage

This Section is extended to cover loss or 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 loss or damage other than loss of or damage to

1. movable property which is
  - (a) stolen
  - (b) 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
  - (a) the removal or partial removal or any attempt thereof;



(b) the demolition or partial demolition or any attempt thereof;  
the said immovable property or any part thereof with the intention of stealing any part thereof

Provided that this Extension does not cover:

- (a) loss or damage related to or caused by fire or explosion;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A)(i), (ii), (iii), (iv), (v), (vi) or (vii) 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 (a), (b), (c), (d) or (e) loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

If any building insured or containing the insured property becomes unoccupied for 30 (thirty) consecutive days, the insurance in respect of this extension is suspended as regards the property affected unless the Insured, before the occurrence of any damage, obtains the written agreement of the Company to continue this Extension.

During the period of the initial unoccupancy of 30 (thirty) consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% (twenty percent) of the claim before deduction of any First Amount Payable.

#### E. Damage to Water Tanks, Water Apparatus or Water Pipes

Loss of or damage by an insured event to water tanks, water apparatus or water pipes the property of the insured installed in and forming part of the buildings described in the Schedule.

#### F. Damage to Plastic Tunnels

Loss of or damage or damage by an insured event to plastic tunnels the property of the insured described in the Schedule is covered. The liability of the Company is limited to

- (i) during the first 2 (two) years after erecting as new the sum insured or 100% (hundred percent) of the damage whichever is the lesser
- (ii) during the 3rd (third) and 4th (fourth) year after erecting as new the sum insured or 80% (eighty percent) of the damage whichever is the lesser
- (iii) during the 5th (fifth) and 6th (sixth) year after erecting as new the sum insured or 50% (fifty percent) of the damage whichever is the lesser

Provided that

- (i) there is no cover for plastic tunnels older than 5 (five) years
- (ii) the insured is responsible for the first 25% (twenty five percent) of any loss caused by hail

#### G. Accidental Damage Extension only applicable to Irrigation Systems Described in the Schedule

II Accidental damage (if stated in the schedule to be included)

##### Defined events

Accidental physical loss of or damage to the property described in the schedule, The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum insured stated in the schedule.

##### Specific exceptions

The insurer shall not be liable for

- (a) the first amount payable
- (b) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or judicial process
- (c) loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract:
- (d) loss of or damage to insured property caused by
  - (i) any fraudulent scheme, trick, device or false pretence practised on the insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the insured;
  - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;
  - (iii) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
  - (iv) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;



- (v) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light;
- (e) (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from their container;
- (ii) loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
- (f) failure of and/ or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel refrigerant.

## Memoranda

### 1. Average

If, on the occurrence of an insured event, the value of the insured property is greater than the sum insured thereon the insured shall be considered his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Each item, if more than one, shall be separately subject to this memorandum.

### 2. Reinstatement

The basis upon which the amount payable is to be calculated following an insured event shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than such property when new,

Provided that:

- (a) the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to requirements of the insured subject to the liability of the insurer not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section shall be made;
- (b) the insurer shall not be liable for any payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section, until expenditure has been incurred by the insured in replacing or reinstating the lost or damaged insured property;
- (c) 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 lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, the insured shall be considered their own insurer for the difference and shall bear a rateable share of loss accordingly. Each item, if more than one, to which this memorandum applies shall be separately subject to this provision;
- (d) this memorandum shall not apply if
  - (i) the insured fails to intimate to the insurer within six months of the insured event or such further time as the insurer may allow in writing their intention to replace or reinstate the lost or damaged insured property
  - (ii) the insured is unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

## Exceptions

This Section does not cover:

1. any loss of or damage as a result of structural defects, faulty design, defective workmanship and maintenance, normal wear and tear and corrosion
2. any loss of or damage occasioned by or through or in consequence, directly or indirectly by:
  - (a) its undergoing any heating or drying process (unless specifically included)
  - (b) the act of any lawfully constituted authority
3. any loss of or damage to
  - (a) securities, obligations or cheques
  - (b) computer systems records
  - (c) explosives unless otherwise expressly stated in this Section.

Special Provisions with reference to Crude Fodder, Hay, Straw, Chaff and similar Crops in Buildings as well as Tobacco in Air Curing Barns

In the event of loss of the insured property by fire or lightning as defined in this Section, the Company shall not be liable to pay more than 75% (seventy five percent), or should any other insurance exist, the rateable proportion of 75% (seventy five percent) of the market value of the property or the sum insured whichever shall be the lesser immediately prior to the fire

Provided that:

- (a) the Insured shall be considered as being his own insurer for 25% (twenty five percent) of the market value of the insured property or the sum insured, whichever shall be the lesser and shall therefore bear at least 25% (twenty five percent) of any loss;
- (b) the liability of the Company in respect of crude fodder stored in enclosed buildings shall not exceed R100 000 (one hundred thousand rand) per building unless otherwise stated in the Schedule;
- (c) the liability of the Company in respect of crude fodder stored in buildings not fully enclosed shall not exceed R50 000 (fifty thousand rand) per building unless otherwise stated in the Schedule.

Special Provisions with Reference to Livestock, Game and/or Ostriches





### 1. Death or Destruction by Lightning only or by Fire and Lightning only

In the event of the death or destruction of the livestock, game and/or ostriches stated in the Schedule directly caused by Lightning Only or by Fire and Lightning Only the Company shall in terms of this Section or should any other insurance exist be liable to compensate the Insured to the extent of the loss or damage the rateable proportion of the market value of the property or the sum insured stated in the Schedule, whichever shall be the lesser or at the Company's option replace such property

Provided that:

The Company shall not be liable for:

- (a) damage to or loss of livestock, game and/or ostriches not belonging to or held in trust by or in the custody or under the control of the Insured or any employee or agent of the Insured
- (b) confiscation, requisition, destruction or detention of any game and/or ostriches by order of any statute, government or public authority
- (c) slaughter of livestock, game and/or ostriches without the consent of the Company except in the case of an injury caused by an insured peril necessitating that the animal be slaughtered without delay in the interests of humaneness

Provided that:

the Company may have a post mortem examination carried out by a veterinary surgeon of its choice if it elects to do so

- (d) consequential loss of any nature whatsoever.

### 2. Condition of Animals

Livestock, game and/or ostriches described in the Schedule must all be sound and in perfect health and free from injury at the commencement of this insurance.

### 3. Death of Livestock, Game and/or Ostriches

On the death of any animal described in the Schedule the Insured shall immediately give notice thereof to the Company and shall give the Company the opportunity of inspecting the carcass by not cutting or disposing of it until the expiration of at least 24 (twenty four) hours after such notice shall have been received by the Company. The Insured shall at his own expense within 14 (fourteen) days after being requested to do so furnish to the Company such information accompanied by such veterinary certificates and satisfactory proof as to death, identity and value of the animal as the Company may require. The burden of proving that an insured animal has not died from an excepted cause as described in this Section shall rest upon the Insured. If the claim be admitted the Insured shall dispose of the carcass to the best advantage and the amount realised shall belong to the Company

Provided that:

in the event of claims for the death of livestock, game or ostriches caused by lightning:

- (a) at the time of submitting a claim the Insured shall furnish the Company with a sworn affidavit;
  - (i) to confirm that the death of the animal(s) was caused by lightning
  - (ii) declaring at the time of the loss the total number of livestock, game and/or ostriches the Insured possessed as well as the total number of livestock, game and/or ostriches not belonging to, or held in trust by, or in the custody, or under the control of the Insured or any employee or agent of the Insured.

### 4. First Amount Payable in Respect of Loss by Direct Lightning

In the event of the livestock, game and/or ostriches insured by this Section being destroyed as a result of direct lightning the Insured shall be responsible for the first 10% (ten percent) of each and every loss with a minimum of one animal.

### 5. All Species

All livestock, game and/or ostriches of a specific specie must be insured.

## Specific Conditions

### 1. Rent

The Company will pay the amount of rent receivable, rent payable or rental value (as the case may be) defined hereunder in the event of the premises stated in the Schedule being rendered untenable during the term specified herein in consequence of damage by a Defined Event.

- (a) Rent receivable: the actual rent receivable by the Insured at the time of the event in respect of the aforesaid premises or on such part of the same as may then be let
- (b) Rent payable: the actual rent payable by the Insured to the owner or landlord of the said premises
- (c) Rental value: actual rental value of the said premises.

The amount payable in terms of this Special Condition shall be in the proportion which the amount insured bears to the actual rent receivable/rent payable or rental value of the premises as the case may be and if the premises are not untenable during the whole of the aforesaid term, the Company shall only be liable to pay such proportion of the amount payable as the period of time during which the premises may remain untenable bears to the whole term specified above, but the period shall not exceed the time which would be required to place the premises in a tenable condition.



## 2. Alterations and Misdescription

The insurance by this Section shall not be prejudiced by any alteration or misdescription of occupancy whether due to the transfer of processes or machinery or by virtue of structural alterations, repairs to buildings, machinery or plant, only if notice thereof is given to the Company as soon as practicable after such event and the Insured shall pay additional premium if required.

## 3. Rebuilding Costs

The insurance under this Section covers costs necessarily incurred by the Insured to repair or replace the buildings or machinery in respect of the following as a result of loss or damage caused by any of the insured events;

- (a) Architects', Surveyors', Consulting Engineers' and other fees approved by the Company
- (b) demolition, debris removal (including stock debris) or the erection of pavement hoardings during rebuilding operations
- (c) costs to comply with Building Regulations framed in accordance with any act of parliament or by ordinance of any municipal or other local authority

Provided that:

the liability of the Company in respect of these costs will not exceed 20% (twenty percent) of the Sum Insured.

## 4. Breach of Conditions

The conditions of this Section shall apply individually to each of the risks insured and not collectively to them. Thus a breach of any condition shall void the Section only in respect of all the risks to which that breach applies and does not affect the Section in respect of the other risks.

## 5. Capital Additions

The insurance under this Section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property other than stock and materials in trade for an amount not exceeding 20% (twenty percent) of the sum insured thereon, it being understood that the Insured undertake to advise the Company each quarter of such alterations, additions and improvements and pay the appropriate additional premium thereon.

## 6. Designation of Property

For the purpose of determining where necessary the column under which any property is insured, the Company agrees to accept the designation under which such property has been entered in the Insured's books.

## 7. Disposal of Salvage

Without diminishing the rights of the Company to rely on the provisions of General Condition 9(a)(i) of this Policy, in the event of 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 Condition to abandon any property to the Company whether taken possession of by the Company or not.

## 8. Mortgagee

The interest of any mortgagee in the insurance under Column 1 of the Schedule of 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/her knowledge and shall be responsible for any additional premium payable from the date any increased hazard shall, in terms of this Condition be assumed by the Company.

## 9. Fire Extinguishing Charges

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.

## 10. All Other Contents

The term, "All other contents" used in this Section is extended to include:

- (a) money and stamps for an amount not exceeding R5 000 (five thousand rand)
- (b) documents, manuscripts, business books, plans, computer system records and media designs but only for the value of materials and sums expended in labour on the said articles and not for the value to the Insured of the information contained therein
- (c) patterns, models and moulds but only for the value of materials and sums expended in labour on the said articles
- (d) personal effects (including pedal cycles) the property of the Insured or principals, partners, directors or employees of the Insured, insofar as the same are not otherwise insured for an amount not exceeding R5 000 (five thousand rand) in the case of any one individual.



#### 11. Public Authorities Requirements (applicable to buildings only)

The insurance under this Section shall include such additional cost of repairing or rebuilding the damaged insured property as may be 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 Condition shall not include:
  - (a) the cost incurred in complying with any of the aforesaid regulations
    - (i) in respect of damage occurring prior to granting of this Condition
    - (ii) in respect of damage not insured by this Section
    - (iii) under which notice has been served upon the Insured prior to the happening of the damage
    - (iv) in respect of undamaged insured property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance of that portion damaged)
  - (b) 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
  - (c) 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 insured 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 Condition not being thereby increased;
3. if the liability of the Company under any item of this Section apart from this Condition shall be reduced by the application of any of the terms, exceptions and conditions of this Section, then the liability of the Company under this Condition 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 sum insured thereby.

#### 12. Railway, Fuel Pipeline and Fuel Storage Subrogation

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

#### 13. Temporary Removal

Except in so far as it is otherwise insured, the property insured is covered whilst temporarily removed elsewhere on the premises stated in the Schedule or to any other premises including transit by road, rail or inland waterway anywhere in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi

Provided that:

1. unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the Company shall not exceed 15% (fifteen per cent) of the sum insured;
2. the amount payable under this Condition shall not exceed the amount that would have been payable had the loss occurred on that part of the premises from which the property was temporarily removed.

#### 14. Tenants

The Company's liability to the Insured shall not be affected by any act or omission on the part of any owner of a building or 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, exceptions 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.

#### 15. Vehicle Load

In the event of any of the Insured's vehicles being left loaded overnight whilst in or on the premises described in the Schedule hereto the Company shall indemnify the Insured in respect of such load in the event of loss or damage by any of the perils insured against by this Section.

#### 16. Workmen

Contractors may work in or on any of the buildings described herein without prejudice to this insurance.

#### 17. Reinstatement Value

In the event of the property (other than stock, game and/or ostriches and motor vehicles as defined in the Motor Section of this Policy) 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:

- (a) 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, and in any case must be completed within 12 (twelve) months after the destruction



or damage or within such further time as the Company may (during the said 12 (twelve) months) in writing allow, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;

- (b) 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;
- (c) 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 property had been damaged exceeds the sum insured 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 share 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;
- (d) these conditions shall be without force or effect if:
  - (i) the Insured fail to intimate to the Company within 6 (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;
  - (ii) the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

#### 18. Computer Systems Records

The insurance of any item of computer systems records shall be limited to the costs of material together with the costs of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not the value to the Insured of the information contained therein.

#### 19. Security Costs

The Company will indemnify the Insured in respect of the reasonable costs of security incurred out of necessity until replacement or repair following loss of or damage to property insured under this Section has been completed.

#### 20. Underinsurance

**(a) not applicable to windmills, livestock, game and/or ostriches**

If the property insured at the time of any loss be collectively of greater value than the sum insured thereon then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, of this section shall be separately subject to this condition;

**(b) applicable to windmills, livestock, game and/or ostriches**

If at the time of any loss of the game and/or ostriches and windmills as insured under this Section against the Perils as defined herein it is found that the number of the specific kind of game and/or ostriches and windmills is higher than the number insured then the Insured shall be considered as being his 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 Specific Condition.

#### 21. Pumps and Electric Motors

The Insured shall be liable for the first 10% (ten percent) of each and every claim or R250 (two hundred and fifty rand) whichever is the greater in respect of damage to pumps, electric or electronic motors and electrical switchgear thereof directly or indirectly caused by lightning.

#### 22. Storage of Crude Fodder

In respect of the insurance by this Section it is a condition precedent to liability of the Company that all combustible material and vegetation within an area of at least 5 (five) metres in width in the immediate vicinity of the insured building or structure concerned in which crude fodder of any kind is kept or stored shall be cleared and removed from the site. This condition is only applicable to the building and contents of the building which is the subject of a claim.

#### 23. Tobacco

The Company shall not be liable for loss to tobacco.

#### 24. Poultry

The Company shall not be liable for loss of or damage to poultry

#### 25. Hammermills

In respect of the insurance by this Section it is a condition precedent to liability of the Company that no process of milling is carried out within any insured building or structure or within an area of at least 5 (five) metres from such building or structure.

#### 26. Property in the Open

The Insured shall be liable for the first 10% (ten percent) with a minimum of R250 (two hundred and fifty rand) in respect of each and every claim for loss of or damage to property in the open.

#### 27. Television Relay Stations and Radio Masts

In the event of any loss of or damage to television relay stations and radio masts directly or indirectly caused by lightning the Insured shall be responsible for the first 10% (ten percent) with a minimum of R500 (five hundred rand) of each and every claim.



## 28. Builder's Risk

Whilst the property described in the Schedule is under construction or is subject to additions, alterations or repair work and until it is finally completed Extension A Special Perils is deemed to read as follows:

### Special Perils

This Section covers loss of or damage to the property described herein directly caused by

1. storm
2. aircraft, other aerial devices or articles dropped therefrom
3. impact by animals, trees (excluding falling trees whilst contractors are engaged in the felling thereof) or vehicles.

### This Extension A does not cover loss of or damage:

- (a) caused by tidal wave originating from earthquake or volcanic eruption
- (b) in the underground workings of any mine
- (c) in the open (other than buildings, structures and plant designed to exist or operate in the open)
- (d) in any structures not completely roofed
- (e) to retaining walls
- (f) the first R250 (two hundred and fifty rand) of each and every claim over and above any Compulsory First Amount Payable which may be applicable
- (g) as a result of wear and tear or gradual deterioration
- (h) caused or aggravated by:
  - (i) leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby
  - (ii) subsidence or landslip
- (i) to animals, trees, aerals, satellite dishes or property in or on vehicles
- (j) as a result of impact with any of the property insured by any animal or vehicle belonging to, in the custody of and/or under the control of any contractor or subcontractor or any of their employees whilst engaged with:
  - (i) the construction of or completion of the insured property
  - (ii) architectural alterations and/or additions to and/or restoration to the insured property or the completion of such alterations, additions or restorations".

## 29. Paddock and Boundary Fences (cover Restricted to Fire and Lightning only)

In respect of paddock and boundary fences the following conditions shall apply:

- (i) the Company's liability in respect of boundary fences only is limited to 50% (fifty percent) of the total reinstatement value thereof and the terms as contained in Specific Condition 19(a) "underinsurance" of this Section shall apply accordingly
- (ii) all paddock and boundary fencing of the Insured must be insured
- (iii) the Company shall not be liable for loss of or damage to paddock and boundary fences if it is found that such fencing was not in an insurable condition at the commencement of cover

Provided that:

the Insured shall be liable for the first 10% (ten percent) with a minimum of R1 000 (one thousand rand) in respect of each and every claim.

## 30. Public Supply Connections

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 property insured and the public supply or mains.

## 31. Lightning Conductors

It is a condition precedent to liability in terms of this Section that all buildings with grass, straw or thatched roofs be supplied with and properly fitted with an SABS-approved lightning conductor or lightning conductor of a similar standard or more superior which is installed with the exclusive purpose of conducting lightning away from the said building(s).

## Endorsements Applicable If So Stated In The Schedule

### 1. Subsidence and Landslip

In consideration of the payment of an additional premium this Section is extended to cover:

Loss or damage caused by Subsidence and Landslip

Provided that:

the Insured shall bear the first portion of each and every claim up to an amount calculated at 1% (one percent) of the sum insured on the property or R500 (five hundred rand) whichever is the greater.

For the purpose hereof any damage shall be deemed to be damage caused by fire

Provided that:

this Extension does not cover:



- (a) damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
- (b) damage caused by or attributed to by
  - (i) faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises;
  - (ii) workmen engaged in making any structural alterations, additions, or repairs to any building situated at the insured premises;
  - (iii) excavation on or under land other than excavation in the course of mining operations
- (c) consequential loss of any kind whatsoever except loss of rent when specifically insured under this Section.

### Special Condition

In any action suit or other proceeding where the Company alleges that by reason of the provisions of this Extension any damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

### 2. Leakage

In consideration of the payment of an additional premium the insurance by this Section is extended to include the following: damage caused by discharge or leakage from any sprinkler, drencher system or fire extinguishing installations/appliances.

If a first loss limit is shown against this additional peril in the Schedule, the amount of such limit shall be the maximum liability of the Company in respect of any one event and, for the purposes of this Extension only; the following underinsurance condition shall be substituted for the condition herein before 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 sum insured thereon against fire damage, then the Company shall be liable under this Extension only for that proportion of the first loss limit as the sum insured against fire 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 Extension applies shall be separately subject to this clause.

### 3. Riot and Strike

In consideration of the payment of an additional premium and subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this Section is extended to cover damage directly occasioned by or through or in consequence of:

- (a) civil commotion, labour disturbances, riot, strike or lockout;
- (b) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation; loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (d) loss or damage related to or caused by any occurrence referred to in General Exception 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 proviso (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

### 4. Stock Declaration Conditions

In respect of stock and materials in trade insured under this Section being subject to the stock declaration conditions, the premium is calculated on 75% (seventy five percent) of the sum or sums insured thereon, subject to the following specific conditions:

1. (a) the Insured shall declare to the Company in writing the market value of their stock and materials in trade on the last of each month/quarter (as stated in the Schedule) and shall make such declaration within 30 (thirty) days thereof, otherwise they shall be deemed to have declared the sum insured on such property as the market value thereof
- (b) after each period of insurance, the premium shall be calculated on the average sum insured, namely the total of the values declared or deemed to have been declared, divided by the number of declarations due to have been made. If the resultant premium shall differ from the provisional premium, the difference shall be payable by or to the Insured as the case may be, but the amount payable by the Company shall not exceed 50% (fifty per cent) of the provisional premium
2. any claim hereunder shall be settled on the basis of the market value immediately anterior to the damage
3. if, after the occurrence of damage, it is found that the amount of the last declaration is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said declaration bears to the amount that ought to have been declared or to the sum insured, whichever is the lesser amount. The provisions of this condition shall, if applicable, operate cumulatively with the provisions of the Specific Condition relating to average



4. in consideration of the insurance not being reduced by the amount of any loss, the Insured shall pay additional premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment premium
5. the liability of the Company shall not exceed the sum insured and premium shall not be receivable on values in excess thereof
6. the above Specific Conditions shall apply separately to each item of the specification to which these stock declaration conditions apply.

#### 5. Escalator Clause (Excluding Stock)

During each period of insurance, the sum(s) insured under columns 1 and/or 3 of this Section shall be increased by that portion of the percentage specified in the Schedule 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 sum(s) insured in force at the commencement of the period of insurance.

At each renewal date, the Insured shall notify the Company of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this clause shall cease to apply.

The additional premium for this extension shall be 50% (fifty percent) of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this Extension applies.

#### 6 Inflation of Sums Insured (if stated in the schedule to be included)

Applicable only to the sums insured specified for Buildings and Plant and Machinery only.

The company will pay the additional costs of reinstatement or replacement incurred between the time of the loss and the actual reinstatement or replacement which are due to inflationary escalation in costs during such period.

Provided that:

- (i) The indemnity herein shall be without force or effect if the insured is unable or unwilling to reinstate or replace the property damage on the same or another site.
- (ii) Any amounts payable which may be indemnified in terms of any other policy shall be deducted from any amount payable in terms of this policy.
- (iii) This extension is limited to the percentage specified in the schedule based on the replacement value at the time of the loss.

The additional premium payable hereon will be calculated at 25% (percent) of the premium produced by applying the percentage specified to the annual premium for the sum insured.



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## BURGLARY

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### Defined Events

The Company shall indemnify the Insured in respect of loss of or damage to all contents, (the property of the Insured or for which they are responsible) of any building at the insured premises described in the Schedule as a result of burglary accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of burglary or theft (or any attempt thereat) following violence or threat of violence.

### Specific Exceptions

The Company shall not be liable for:

1. loss or damage by any such burglary or any attempt thereat at theft by any principal, partner, director, any of the Insured's family, employees, domestic servants or any person lawfully on the premises except if such theft or any attempt thereat follows violence or threat of violence;
2. loss or damage which can be insured against by a Fire or Glass Insurance Policy (except after an explosion caused by thieves in an attempt to enter or to open a safe or strong room), or is insured by a Marine Insurance Policy;
3. loss of or damage to cheques, money, coins, medals, securities, stamps of any kind, bills of exchange, documents of any kind, manuscripts, business books, patterns, moulds, plans or designs unless specifically insured hereunder;
4. loss of or damage during or consequent upon fire or explosion;
5. loss of or damage to property contained in or on any garden, veranda or yard or in the open;
6. consequential loss or damage of any nature whatsoever.

### Extensions

#### 1. All Contents

Should this Section insure "all contents" of the premises this term shall extend to include:

- (a) documents, manuscripts, business books, computer system records and media, plans and designs, but only for the value of materials and sums expended in labour on the said articles and not for the value to the Insured of the information contained therein
- (b) patterns, models and moulds but only for the value of materials and sums expended in labour on the said articles
- (c) personal effects, tools, clothing and pedal cycles the property of the Insured or any principal, partner, employee or director of the Insured in so far as the same are not otherwise insured, limited to R2 500 (two thousand five hundred rand) for any one person.

#### 2. Locks and Keys

In addition to the limit of indemnity stated in the Schedule the Company will indemnify the Insured in respect of the cost of replacing locks and keys to any insured premises following upon the disappearance of any key to such premises or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key

Provided that:

- (i) the Company's liability shall not exceed R2 000 (two thousand rand) in respect of any one event;
- (ii) the Company shall not be liable for the first R200 (two hundred rand) of each and every claim.

#### 3. Damage to the Buildings

In addition to the limit of indemnity stated in the Schedule:

- (a) the insurance under this Section includes:
  - (i) damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of burglary or any attempt thereat;
  - (ii) loss of buildings, landlord's fixtures and fittings at the insured premises as a result of burglary accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of burglary or theft or any attempt thereat, following violence or threat of violence;
- (b) the Company will reimburse the Insured all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or damage giving rise to a claim under this Section;

Provided that:

the Company's liability shall not exceed the greater of R5 000 (five thousand rand) or the amount stated in the Schedule in respect of any one event.

#### 4. Thieves Concealed Upon the Insured Premises/Use of Skeleton Keys/Additional Premises

The Insurance under this Section extends to cover loss of or damage to the property insured:

- (a) caused or accompanied by:
  - (i) a thief or thieves being concealed upon the insured premises before close of business;





- (ii) entry to and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding a duplicate key) provided that the Insured shall establish to the satisfaction of the Company that such a skeleton key or device was used;
- (b) whilst in a building at any additional premises used by the Insured;

Provided that:

- (i) such additional premises are advised to the Company within 30 (thirty) days from the time the risk attaches to the Company;
- (ii) an additional premium, if any, is paid;
- (iii) the Company's liability in respect of this Extension shall not exceed 50% (fifty percent) of the highest amount stated in the Schedule to any one premise.

#### 5. Guesthouses (Accommodation and Lodging) (If stated in the Schedule to be Included)

In consideration of the payment of an additional premium it is hereby declared and agreed that the wording relating to "Defined Events" in terms of this Section is amended to read as follows:

##### Defined Events

The Company shall indemnify the Insured in respect of loss of or damage to all contents, (the property of the Insured or for which he/she is responsible) to any building at the insured premises described in the Schedule as a result of burglary (or any attempt thereat)

Provided that:

where contents of any off-sales or bar stocks are insured, burglary of the contents of such off-sales or bar stocks must be accompanied by visible, forcible and violent entry into or exit from such building(s), except for theft (or any attempt thereat) following violence or threat of violence".

#### 6. Underground Electrical Cables

In consideration of the payment of an additional premium it is hereby declared and agreed that the wording relating to "Defined Events" in terms of this Section is amended to read as follows:

##### Defined Events

"The Company shall indemnify the Insured in respect of loss of or damage to Underground Electrical Cables (the property of the Insured or for which he/she is responsible) described in the Schedule as a result of theft, subject to the provisions set out below.

Provided that:

- (i) the cables are laid at least 0,600meters below ground and that the topsoil is properly compacted.
- (ii) In the event of a loss the Company reserves the right to join the cable.
- (iii) There will be no theft cover in force whilst the cables are being laid.
- (iv) The insured will be responsible for the first 10% with a minimum of R1000 (one thousand Rand) each and every loss.

#### Specific Conditions

##### 1. The First Amount Payable

The Company shall not be liable for:  
the first 10% (ten percent) of each and every claim  
Provided that:

- (a) the Insured shall be liable for an amount of at least R250 (two hundred and fifty rand) of each and every claim;
- (b) this Specific Condition shall not be applicable to losses that may arise in terms of paragraph (c) of Extension 1 hereto in respect of personal effects, tools, clothing and pedal cycles of the Insured, any principal, partner, employee or director of the Insured, as well as losses that may arise in terms of Extension 2 of this Section in respect of locks and keys.

Endorsements Applicable (If so stated In the Schedule to be applicable)

##### 1. Burglar Alarm

In respect of any premise stated in the schedule, a burglar alarm shall be installed and it is a condition precedent to the liability of the Insurers and warranted that

- (a) the burglar alarm installed at the premises shall be made fully operative however the protected building (s) is/are not open for business unless a principal, partner, director or employee of the insured is in the protected building (s)
- (b) Unless specifically stated to the contrary, all buildings on the premises are to be protected by the alarm.

and it is further warranted that:

1. Where the installed alarm is an approved and certified burglar alarm

The Insurers will be entitled to request full information of the relevant arming an disarming log after the occurrence of a claim.

or

2. Where the installed alarm is not an approved and certified burglar alarm

- (i) the said alarm is to be a dual monitoring alarm where available (for the purposes of this requirement, dual monitoring shall mean that once the alarm is triggered a signal will be transmitted by two different methods to the control room of the company monitoring the alarm)



- (ii) If the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available
- (iii) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and after the occurrence of a claim, the insurers will be entitled to request full information of the relevant log.
- (iv) such alarm will be maintained in proper working order but he insured shall be deemed to have discharged their liability of they have maintained their obligations under a maintenance contract with the installation/ service company of he alarm system.

Loss of or damage to the property following the use of the keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the insured unless such keys, keypad code or remote control have been obtained by violence or threat of violence to any person or such keys, keypad code or remote control was obtained by theft or burglary.

## 2. Protections

The Insured shall continue to use and maintain in efficient condition all protections represented, agreed or implied as being in use at the premises to prevent hinder or detect entry or exit by thieves.

To the extent that any of these protections are defective at the time of any loss the Company shall not be liable under this Section unless the Insured shall prove that such defects:

- (a) could not reasonably have been detected by the Insured or were detected but could not reasonably have been rectified before the loss occurred and that adequate alternative protection had been instituted and the Company notified as soon as possible;
- (b) did not in any way contribute to the ability of the thieves to enter, remain in or escape from the premises or any section thereof or reduce the possibility of them being discovered.

## 3. Watchman

It is a condition precedent to all liability of the Company and so warranted that at the commencement of this insurance a watchman shall be employed-for the protection of the premises at all times when the same are closed for business.



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## FIDELITY GUARANTEE

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### Defined Events

The Company shall indemnify the Insured in respect of:

1. Loss of money and/or other property, belonging to the Insured or for which they are responsible, stolen by an insured employee during the currency of this Section.
2. Direct financial loss sustained by the Insured as a result of fraud or dishonesty of an insured employee, all of which occurs during the currency of this Section, which results in dishonest personal financial gain for the employee concerned

Provided that:

1. (a) the Company is not liable for all losses which occurred more than 24 (twenty four) months prior to discovery;  
(b) all losses are discovered not later than 12 (twelve) months after the termination of:
  - (i) this Section, or
  - (ii) this Section in respect of any insured employee concerned in a loss, or
  - (iii) the employment of the insured employee or the last of the insured employees concerned in a loss

whichever occurs first;

2. (a) **Blanket basis** - the liability of the Company for all losses shall not exceed the sum insured stated in the Schedule whether involving any one employee or any number of employees acting in collusion or independently of each other;  
(b) **Named or position basis** - the Liability of the Company for all losses involving any employee shall not exceed the sum insured stated opposite his name in the Schedule or, if he is unnamed, the sum insured stated opposite the position held by him in the business as stated in the Schedule.
3. Renewal of this insurance from period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the Company beyond the sum insured stated in the Schedule. If the period of insurance is less than 12 (twelve) months the Company's liability is limited to the sum stated in the Schedule during any 12 (twelve) month period of insurance calculated from inception or renewal.
4. The term "dishonest personal financial gain" shall not include gain by an employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

### Definitions

#### 1. Employee

Employee shall mean:

- (a) any person while employed under a contract of service with or apprenticeship to the Insured;
- (b) any person while hired or seconded from any other party into the service of the Insured;

who the Insured has the right at all times to govern, control and direct in the performance of his work in the course of the business of the Insured and who, if this Section is on a named and/or position basis, is described in the Schedule by name and/or by the position held by him in the business.

### Specific Exceptions

1. The Company shall not be liable for:
  - (a) loss resulting from or contributed to by any Defined Event by
  - (b) any partner in or of the Insured to the extent that such partner would benefit by indemnity granted under this Section;
  - (ii) any principal, director or member of the Insured unless such director or member is also an employee
  - (iii) any employee from the time the Insured shall become aware that such employee has committed any fraud or dishonesty;
  - (c) any consequential losses of any kind following losses referred to under Defined Events.
2. This Section does not cover any company or other legal entity acquired during the period of insurance.
3. The Company shall not be liable for any Defined Event if it results from the dishonest
  - (i) manipulation of
  - (ii) input into
  - (iii) suppression of input into
  - (iv) destruction of
  - (v) alteration of

any computer programme, system, data or software by any insured employee who is employed in the Insured's electronic data processing department or area.

This Specific Exception does not apply to insured employees who are employed in the electronic data processing department/area of any non-networked micro/personal computer.

4. The Company shall only be liable to the extent of the participation/shareholding of any uninvolved partner/principal/director or member for an insured event in which any partner/principal/director or member of the Insured is or has been directly involved.



This Specific Exception only applies to Partnerships, Proprietary Companies or Closed Corporations.

### Specific Conditions

1. The Insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting his/her business as has been represented to the Company but the Insured may:

- (a) change the remuneration and conditions of service of any employee;
- (b) in respect of any employee who is described in the Schedule by name, change his duties and position;
- (c) in respect of any employee who is described in the Schedule only by the position held by him/her remove such employee and place in his/her position any other person who falls within the definition of employee;
- (d) make such other changes as are approved beforehand in writing by the Insured's auditors.

2. Subject to the provisions of General Condition 20 if the Insured shall sustain any loss to which this Section applies which exceeds the amount payable hereunder in respect of such loss, the Insured shall be entitled to all recoveries (except from surety ship, insurance, reinsurance, security or indemnity taken or effected by the Company or for the amount of any First Amount Payable) by whomsoever made on account of such loss until fully reimbursed, less the actual cost of effecting the same, and any remainder shall be applied to the reimbursement of the Company and the Insured to the extent of his co-insurance in terms of Item (b) the Compulsory First Amount Payable.

### Clauses and Extensions

#### 1. Accountants

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company under this Section for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured's auditors or professional accountants and their certificate shall be prima facie evidence of the particulars and details to which it relates.

#### 2. Extended Cover for Past Employees

Any person who ceases to be an employee shall, for the purposes of this Section, be considered as being an employee for a period of 30 (thirty) days after he/she in fact ceased to be an employee.

#### 3. Retroactive Cover - No Previous Insurance in Force (If stated in the Schedule to be Included)

This Section will also apply to Defined Events as insured herein which occurred up to 12 (twelve) months prior to inception of this Section but not more than 24 (twenty four) months prior to discovery

Provided that:

the events are discovered within the sooner of 12 (twelve) months of the termination of the employment of the employee concerned or within 12 (twelve) months of the expiry of this Section.

#### 4. Superseded Insurance (If stated in the Schedule to be Included)

This Section will apply to Defined Events insured herein which occurred during the currency of any insurance superseded by this Section and specified in the Schedule

Provided that:

- (a) this extension is restricted to losses which would have been payable by the superseded insurance but which are not claimable because of the expiry of the period of time allowed by the superseded insurance for the discovery of the Defined Events;
- (b) the Defined Events are discovered within the sooner of 12 (twelve) months of the termination of the employment of the employee concerned or within 12 (twelve) months of the expiry of this Section;
- (c) the amount payable under this extension shall not exceed the amount insured by this Section or the amount insured by the superseded insurance whichever is the lesser;
- (d) in the event of the Defined Events involving one employee or any number of employees occurring during both the currency of this Section and that of the superseded Policy, the maximum amount payable shall not exceed the amount insured by this Section at the time of discovery of the Defined Events;
- (e) this extension will not apply to Defined Events which occurred more than the number of years stated in the Schedule before inception of this Section;
- (f) the Company is not liable for any loss which occurred more than 24 (twenty four) months prior to discovery.

#### 5. Other Insurances

It is a condition of this Section that other than

- (a) a money policy;
- (b) that declared to the Company at inception or renewal or time a claim is submitted;
- (c) a fidelity pension fund policy which is not in excess of this Section;
- (d) this Section;

no other insurance is in force during the currency of this Section to insure against the risks insured hereunder.



## 6. Compulsory First Amount Payable

The amount payable under this Section in respect of a Defined Event involving one employee or any number of employees acting in collusion shall be reduced by:

- (a) 2% (two percent) of the aggregate of the sum insured under this Section and the declared insurance or R60 000 (sixty thousand rand) whichever is the lesser, plus
  - (b) a further amount of 10% (ten percent) of the net amount payable after deduction of the amount specified in (a) above.
- Both amounts shall be borne in full by the Insured and remain uninsured.

## 7. Computer Losses First Amount Payable

The percentage shown in (b) of the compulsory First Amount Payable clause is increased from 10% (ten percent) to 20% (twenty percent) if the Defined Event results from the dishonest

- (i) manipulation of
- (ii) input into
- (iii) suppression of input into
- (iv) destruction of
- (v) alteration of

any non-networked micro/personal computer programme, system, data or software by any insured employee whose duties involve the managing, supervision, design, creation or alteration of computer systems or programmes.

## 8. First Amount Payable for Losses Discovered more than 12 (Twelve) Months after they were Committed

If any Defined Event is discovered more than 12 (twelve) months after:

- (a) it was committed
- (b) the first event in a series of events committed by one person or a number of persons acting in collusion the percentages contained in the First Amount Payable clause are increased as follows:

First Amount Payable clause	First Amount Payable increased to percentage shown below	
	If losses are discovered more than 12 (twelve) months after being committed but not more than 24 (twenty four) months thereafter	If Section has been extended to cover that part of losses discovered more than 24 (twenty four) months after being committed but not more than 36 (thirty six) months thereafter.
Compulsory		
Paragraph(a)	From 2% to 4%	From 2% to 5%
Paragraph (b)	From 10% to 15%	From 10% to 20%
Computer Losses	From 20% to 30%	From 20% to 35%

Notwithstanding the above, the Insured may opt to claim only for that part of the loss which was discovered in a lesser period, in which case the First Amount Payable applicable for the corresponding lesser period will apply.

## 9. Voluntary First Amount Payable (If stated in the Schedule to be included)

In addition to the amount payable by the Insured under the compulsory First Amount Payable clause, the Insured shall be responsible for the difference between such amount and the amount stated in the Schedule as the voluntary First Amount Payable

Provided that:

such voluntary amount exceeds the compulsory amount.

## 10. Reduction/Reinstatement of Insured Amount (If stated in the Schedule to be included)

The payment by the Company of any loss involving one employee or any number of employees shall not reduce the Company's liability in respect of the remaining insured employees

Provided that:

- (a) the maximum amount payable by the Company for all insured employees shall not exceed double the sum insured shown in the Schedule;
- (b) the Insured pays additional premium calculated in terms of the following formula:

Amount of claim payment

Annual premium in force at time of discovery of loss    x    Sum insured at time of discovery of loss



The additional premium shall be payable in full and may not be reduced due to the period between the date of discovery of loss and the expiry date being less than 12 (twelve) months.

**11. Costs of Recovery (If stated in the Schedule to be included)**

If the Insured shall sustain any loss to which this Section applies which exceeds the sum insured hereunder, the Company will, in addition to the sum insured, pay to the Insured costs and expenses not exceeding the amount stated in the Schedule necessarily incurred with the consent of the Company (which consent shall not be unreasonably withheld) for the recovery or attempted recovery from the employee in regard to whom the claim is made, of that part of the loss which exceeds the sum insured hereunder. All amounts recovered by the Insured in excess of the said part of the loss shall be for the benefit of the Company and the Insured to the extent of his co-insurance in terms of Item (b) the Compulsory First Amount Payable Clause.

**12. Computer Losses (If stated in the Schedule to be included)**

The Insured having completed a satisfactory questionnaire, Specific Exception 3 and the Computer losses First Amount Payable Clause are deleted.

**13. Extension for Losses Discovered more than 24 (Twenty Four) Months after being Committed but not more than 36 (Thirty Six) Months thereafter (If stated in the Schedule to be included)**

1. In consideration of the payment of an additional premium, Proviso 1(a) of the Defined Events is restated to read: "1(a) the Company is not liable for all losses which occurred more than 36 (thirty six) months prior to discovery".
2. If this Section includes the superseded insurance extension the period referred to in proviso (f) thereof is increased from 24 (twenty four) months to 36 (thirty six) months.

**14. Extension Granted on Receipt of a Satisfactory Systems Audit in Respect of Losses Discovered more than 24 (Twenty Four) Months after being Committed (If stated in the Schedule to be included)**

In consideration of the accounting firm named in the Schedule having conducted a satisfactory audit of the Insured’s systems of

- control
- fraud dishonesty and theft detection

and subject to the Insured implementing and maintaining all the recommendations contained in such audit:

1. Proviso 1(a) of the Defined Events (which limits cover to that part of losses discovered within 24 (twenty four) months) and Proviso (f) of the superseded insurance extension (if applicable) are deleted;
2. if any Defined Event is discovered more than 12 (twelve) months after it was committed, the percentages contained in the undernoted First Amount Payable clause are increased as follows:

First Amount Payable clause	First Amount Payable increased to percentage shown below if losses discovered more than 12 (twelve) months after being committed
Compulsory Paragraph (a)	From 2% to 3%
Paragraph (b)	From 10% to 12,5%
Computer Losses	From 20% to 25%

Notwithstanding the above, the Insured may opt to claim only for that part of the loss which was discovered within 12 (twelve) months, in which case the First Amount Payable applicable for that period will apply;

3. The First Amount Payable clause for losses discovered more than 12 (twelve) months after they were committed is deleted.

**Special Provisions**

1. In the event of the discovery of any loss resulting from a Defined Event, the Insured may, notwithstanding anything to the contrary contained in paragraph (b) of General Condition 7, refrain from reporting the matter to the police but shall do so immediately should the Company require such action to be taken.
2. Non-disclosure of his/her own fraud or dishonesty or that of others with whom he/she is in collusion by the person signing any proposal form or giving renewal or other instructions shall not prejudice any claim under this Section.
3. General Condition 10 and General Exceptions 1 and 2 do not apply to this Section.
4. If the sum insured shall be increased at any time, such increased amount shall apply only to Defined Events committed after the date of such increase.



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## COMPUTER EQUIPMENT

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### Sub-Section A: Material Damage

#### Defined Events

The Company shall indemnify the Insured in respect of:

Physical loss of or damage to the property insured described in the Schedule from any cause not hereinafter excluded whilst

- (a) at work or at rest anywhere within that part of the building occupied by the Insured at the insured premises described in the Schedule;
- (b) in transit including loading and unloading or whilst temporarily stored at any premises en route;
- (c) temporarily removed from that part of the building occupied by the Insured at the insured premises described in the Schedule to any other building.

Exceptions Applicable to Sub-Section A

The Company will not be liable to indemnify the Insured irrespective of the original cause in respect of:

1. the First Amount Payable as stated in the Schedule in respect of Sub-Section A, of each and every event giving rise to a claim. Where more than one item of property insured suffers physical loss or damage in any one event, the First Amount Payable shall be the highest single amount applicable to such property insured;
2. derangement unless accompanied by physical damage otherwise covered by this Section;
3. loss or damage recoverable in terms of any maintenance and/or leasing agreement effected by or on behalf of the Insured covering the insured equipment;
4. faults or defects known to the Insured (or his responsible employees) at the time this insurance was arranged or during the currency of the insurance and not disclosed to the Company or any consequences thereof;
5. wastage of material or the like or wearing out of any part of the property caused by or naturally resulting from ordinary usage or working or other gradual deterioration, or development of poor contacts or scratching of painted or polished surfaces of a cosmetic nature;
6. parts having a short life such as (but not limited to) bulbs, valves, contacts, x-ray tubes, cathode ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. If such parts are damaged as a result of physical loss or damage as provided for by this Sub-Section to other parts of the property insured, the Company shall indemnify the Insured for the residual value prior to the loss of such exchangeable parts;
7. the cost of reproducing data and/or programs whether recorded on cards, tapes, discs or otherwise unless specifically provided for in Sub-Section B hereof;
8. loss of use of the property or other consequential loss, damage or liability of whatsoever nature other than losses specifically provided for herein;
9.
  - (a) loss by burglary or by disappearance of the property insured unless accompanied by forcible and violent entry into or exit (or any attempt thereat) from that part of the building occupied by the Insured at the insured premises described in the Schedule or as a result of theft or any attempt thereat, following violence or threat of violence;
  - (b) loss of the property insured by theft during transit or whilst temporarily removed from the insured premises unless identifiable by the Insured with a specific incident which has been immediately reported to the police and the Company.

The Company shall not indemnify the Insured for the theft of the property insured from any motor vehicle where the property insured has been

- (a) left in the motor vehicle overnight unless the vehicle is housed in a securely locked building and entry to such vehicle or building is accompanied by forcible and violent entry or exit;
- (b) contained in a compartment of the motor vehicle and is visible to passers-by

Provided that:

(a) and (b) above shall not apply to theft of the property insured where the transport vehicle

- (i) has been hijacked or
- (ii) has been involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected.

#### Basis of Indemnification

The indemnity by this Sub-Section A, subject always to the sums insured contained in the Schedule or any specific limit of liability contained in this Sub-section A, shall be as hereinafter provided and as appropriate including dismantling, re-erection, transportation, removal of damaged property insured (but less the value of the remains) and, where applicable, importation duties and value-added tax.



### (1) Partial Loss

If the property insured suffers damage that can be repaired, the basis of indemnification shall be the restoration expenses reasonably and necessarily incurred to restore the damaged property to working order

Provided that:

- (a) the value of damaged parts which can be used will be deducted;
- (b) the costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this Sub-section A;
- (c) if, without the consent of the Company, temporary repairs are carried out by the Insured in the interests of safety or to minimise further loss or damage to the property insured, the cost of such temporary repairs will be borne by the Company. In the event that the temporary repairs aggravate the loss or cause additional loss or damage to the property insured, any additional costs so incurred or consequences arising therefrom will be for the account of the Insured;
- (d) where the damage is restricted to a part or parts of an insured item, the Company shall not be liable for an amount greater than the value of such part or parts which are lost or damaged allowed for within the sum insured.

### (2) Total Loss

(A) In cases where the new property insured is totally lost or destroyed, the basis of indemnification shall be: the cost of replacing or reinstating on the same site new property of equal performance and/or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or damaged

Provided always that:

- (a) 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 dispatch, otherwise no payment exceeding the market value of the property insured immediately before the damage shall be made;
- (b) until expenditure has been incurred by the Insured in replacing or reinstating the property insured, 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;
- (c) these conditions shall be without force or effect if:
  - (i) the Insured fails to intimate to the Company within six (6) months of the date upon which the damage occurred (or such further time as the Company may in writing allow) their intention to replace or reinstate the property insured;
  - (ii) the Insured are unable or unwilling to replace or reinstate the property insured on the same or another site;
- (d) at the sole option of the Company, following commercial and technical appraisal by a representative of the Company, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of period being admitted by memorandum to this Section.

### Definition of New Property Insured

New property shall mean property purchased no more than seven (7) years (or such extended period as may be approved by the Company in writing) prior to the Defined Event it being expressly agreed that in applying this definition upgrades and enhancements will be taken into account in arriving at an indemnifiable amount and the age of the property insured.

(B) In respect of property insured not provided for in (A) above, the basis of indemnification shall be: the market value of the property insured immediately before the loss or damage. At the option of the Company, the property insured shall be regarded as totally destroyed if the repair costs as defined in (1) above, equal or exceed its market value immediately before the damage.

### Definition of Market Value

The current day purchase price of second-hand/used property of equal performance and/or capacity to the property lost or damaged and of substantially similar condition. Where no similar property is available, market value shall be calculated by deducting from the current new replacement value of the nearest equivalent property, an amount representing:

- (a) 20% (twenty percent) for the first year after the date of purchase
- and
- (b) 10% (ten percent) per year for each succeeding year

subject always to a minimum indemnity of 40% (forty percent) of the current new replacement value of the nearest equivalent property.

### Underinsurance

In respect of (1) and (2) above, if at the time of repair, replacement or reinstatement, the sum representing the cost which would have been incurred in repair, replacement or reinstatement if the whole of the property insured had been lost or damaged exceeds the sum insured thereon at the time of any loss of or damage to such property, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss or damage accordingly. Each item of this Section (if more than one) to which these conditions apply shall be separately subject to this provision.





### Limit of Liability

The amount of liability shall not exceed, in respect of any of the items specified in the Schedule, the sums insured set opposite thereto respectively and, in addition thereto, the following:

#### 1. Architects' and Other Professional Fees

Professional fees necessarily and reasonably incurred in the repair or reinstatement of property following indemnifiable loss or damage

Provided that:

the amount payable in respect of such fees does not exceed 15% (fifteen percent) of the total amount of the claim, but shall not include expenses incurred in connection with the preparation of the Insured's claim.

#### 2. Clearance Cost Clause

Costs necessarily and reasonably incurred by the Insured in respect of demolition or dismantling of property and/or removal of debris and in providing, erecting, maintaining hoardings and other similar structures required during demolition, dismantling, debris removal and reconstruction following indemnifiable loss of or damage to such property

Provided that:

the total amount recoverable does not exceed 15% (fifteen percent) of the total amount of the claim.

#### 3. Express Delivery and Overtime

Extra charges for express delivery, airfreight overtime, Sunday and holiday rates of wages payable in respect of the necessary and reasonable additional costs incurred by the Insured for effecting repairs or replacement approved by the Company, limited to 50% (fifty percent) of the amount which the repair or replacement would have cost had these additional costs not been incurred.

### Clauses and Extensions Applicable to Sub-Section A

#### 1. Power Surge or Lightning Strikes

All loss or damage to the property insured by power surges or lightning strikes will be subject to an additional First Amount Payable of 10% (ten percent) of the net amount payable for the items so damaged subject to a minimum of R1 000 (one thousand rand), but not exceeding R2 000 (two thousand rand) per occurrence. However, should the property insured be appropriately and adequately protected by suitable safeguards against electrical supply fluctuations, then this additional First Amount Payable will be waived.

#### 2. Fire Extinguishing Charges

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.

#### 3. Tenants

This insurance will not be invalidated by any act or neglect on the part of a tenant of the Insured (where the Insured owns the building) or another tenant or the owner of the building (where the Insured is a tenant)

Provided that:

the Insured notifies the Company as soon as such act or neglect comes to their knowledge and pay on demand the appropriate additional premium.

#### 4. Hire Purchase/Finance Agreements

Where the Company has knowledge of the property insured or any individual item thereof being the subject of a suspensive sale or similar agreement, payment hereunder shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of loss or damage indemnifiable by this Sub-Section A of the Section.

### Sub-Section B Consequential Loss

#### Defined Events

The insurance provided by this Sub-Section (if stated in the Schedule) shall be subject to the limits of indemnity stated in the Schedule and shall include:

#### 1. Increased Cost of Working

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured during the indemnity period in consequence of the accident for the sole purpose of avoiding or diminishing the interruption of or interference with the normal business of the Insured less any sum saved during the indemnity period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of an accident.

The indemnity by this item shall not apply directly or indirectly to:

- (a) the cover provided for in Item (ii) of this Sub-Section;
- (b) the intrinsic value (including reinstatement value) of the property insured by Sub-Section A of this Section.



## 2. Reinstatement of Data/Programmes

Costs and expenses necessarily and reasonably incurred by the Insured for the reconstitution or recompilation of data and/or programmes recorded on or stored in data-carrying media which are lost as a result of accidental erasure (which shall include the events defined in the indemnity clause to Sub-Section A of this Section) or by theft or by the deliberate, wilful or wanton intention of causing the cancellation or corruption of data or programmes as provided for in Sub Section A of this Section

Provided that:

- (a) the indemnity shall not extend to nor include such costs incurred due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes;
- (b) in respect of each and every event or series of events arising out of or in connection with any one original cause or source indemnifiable by this item, the Insured shall bear the amount stated in the Schedule as the First Amount Payable;
- (c) where the Insured elects to insure programmes (software), a schedule of such programmes shall be lodged with the Company at the commencement of each period of insurance;
- (d) the indemnity by this item shall be limited to R5 000 (five thousand rand) or the amount stated in the Schedule whichever is the greater.

## Definitions

### Indemnity Period

The period during which the results of the business shall be affected in consequence of the accident beginning with the number of hours/days detailed in the Schedule as the time excess after the occurrence of the accident and ending not later than the expiry of the period detailed in the Schedule as the indemnity period after such occurrence.

The time excess shall not apply to loss or damage directly caused by fire, storm (excluding lightning), subsidence, wind or the collapse of buildings.

### Accident

1. (Applicable to increased cost of working only). Physical loss of or damage to the property insured described in the Schedule from any cause as provided for under Sub-Section A of this Section, liability under which Sub-Section shall, except for the provisions relating to the First Amount Payable or the maintenance/lease agreements, be a condition precedent to liability hereunder.
2. Failure of the public supply of electricity at the terminal ends of the service feeders in the premises from any accidental cause other than:
  - (a) the deliberate act of the Insured or any supply authority;
  - (b) drought or shortage of fuel at any electricity utility.

Special conditions applicable to failure of the public supply of electricity:

- (a) the liability of the Company shall not exceed the sum insured by this Sub-Section;
- (b) the indemnity period shall commence 12 (twelve) hours after the failure and end not later than 30 (thirty) days after such failure.

### The Limit of Liability

The liability of the Company shall not exceed the amounts specified in the Schedule (relating to Sub-Section B) in respect of any one accident or series of accidents arising out of or in connection with any one event.

In the event of the payment by the Company of any sum or sums in discharge of the Company's liability in terms of this Sub-Section, the sum(s) insured shall automatically be reinstated for the remainder of the current period of insurance.

The Insured shall pay to the Company the additional premium required by the Company calculated pro rata from the day of the accident to the end of the period of insurance.

### Specific Exceptions Applicable to Sub-Section B

#### 1. Fines and Penalties

The Company shall not be liable to indemnify the Insured in respect of fines or penalties for breach of contract for late or non-completion of orders or any penalties of whatsoever nature.

#### 2. Loss of Profit

The Company shall not be liable to indemnify the Insured in respect of loss of profit or consequential loss of whatsoever nature unless specifically provided for herein.

### Clauses And Extensions Applicable To Sub-Section B

#### 1. Reinstatement

Notwithstanding anything to the contrary contained in this Sub-Section, it is hereby declared and agreed that, in the event of any interruption, following loss or damage being aggravated by:

- (a) the Insured being unable or unwilling to replace or reinstate property destroyed or damaged, or failing to carry out such replacement or reinstatement, within a reasonable time, or



(b) additions, alterations or improvements being effected to the property insured on the occasion of its repair the Company's liability under this Section, shall be related solely to the business interruption which would have arisen in the absence of (a) and (b).

## 2. Telkom Access Lines (If stated in the Schedule to be included)

Subject to the limits specified in the Schedule, consequential loss as provided for under Defined Events (I) and (II) of Sub-Section B arising from accidental failure of the Telkom access lines is included

Provided that:

the insurance under this Extension shall be subject to the special conditions below.

Special Conditions Applicable to Telkom Access Lines

- (a) The liability of the Company shall not exceed the sum insured by this Sub-Section.
- (b) The indemnity period shall commence 12 (twelve) hours after the failure and end not later than 30 (thirty) days after such failure.
- (c) The insurance provided does not cover loss occasioned by the deliberate act of any Telkom authority or by the exercise of such Telkom authority of its power to withhold or restrict access to its lines.

## General Memoranda

### Memo 1 - Capital Additions and Currency Fluctuations

The indemnity by this Section shall include:

- (a) additional equipment or programmes purchased by the Insured of a similar nature to that specified in the Schedule

Provided that:

in respect of loss or damage due to electrical, mechanical or electronic breakdown or explosion, the insurance shall only commence after satisfactory completion of installation or commissioning/testing and put into use at the Insured's premises;

- (b) provision for devaluation or revaluation of the currency of the Republic of South Africa against that of the country of origin of the property insured and other inflationary trends, which may result in the escalation of the sum insured (representing the installed new replacement value) of the property insured

Provided that:

the increase shall not exceed, by more than 25% (twenty five percent), the total sum insured for Sub-Section A specified in the Schedule, it being agreed that the Insured will advise the Company of such alterations after the expiry of each period of insurance and pay the appropriate premium thereon but not exceeding 50% (fifty percent) of the difference.

### Memo 2 - Prevention of Access

If, during the indemnity period, the business at the premises be interrupted or interfered with in consequence of the Insured being prevented from having access to the property insured situated at the premises caused by damage to property within a 10km radius of the insured premises as described in the Schedule by fire, lightning, explosion, storm, tempest, flood, water inundation, earthquake or impact by vehicles, the Company shall indemnify the Insured for loss resulting from such interruption or interference in accordance with the provisions contained herein

Provided that:

- (i) the Insured is not entitled to indemnity as provided for in this Extension under any other Policy or Section of this Policy;
- (ii) this Section shall not be brought into contribution with any other Policy or Section of this Policy bearing a like Extension.

## Special Exception (Sub-Section A and B)

### Viruses, Trojans and Worms

The Company shall not indemnify the Insured for loss or damage of whatsoever nature arising directly or indirectly out of or in connection with the action of any computer virus, Trojan or worm(s) or other similar destructive media.

## General Extension

### Incompatibility Cover (If stated in the Schedule to be included)

Notwithstanding anything contained to the contrary in the Policy, the indemnity by Sub-Sections A and B of this Section shall indemnify the Insured for costs incurred in respect of:

- (a) modifications or alterations to the property insured directly consequent upon indemnifiable loss or damage to ensure the operating integrity of the electronic system;
- (b) replacement or upgrading of legal programmes to achieve compatibility with the modified or altered electronic system;
- (c) the restoration of previously captured data which has become inaccessible due to the modifications to or alterations of the electronic system or in consequence of the replacement or upgrading of legal programmes

Provided that:



- (a) the costs provided for in (a), (b) and (c) above shall be necessarily and reasonably incurred to maintain normal working conditions;
- (b) such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of Sub-Sections A or B (item II) of this Section
- (c) the cover afforded hereunder shall be restricted to:
  - (i) parts or components of the electronic system which are not indemnifiable under Sub-Section A hereof;
  - (ii) programmes or data reinstated not indemnifiable under item (II) of Sub-section B hereof;
- (d) the indemnity by this Extension shall, in respect of any one event, be limited in the aggregate to 20% (twenty percent) of the applicable total sum insured under Sub-Section A (The limit of indemnity) and Sub-Section B item (II) or R25 000 (twenty five thousand rand), whichever is the lesser.

### Specific Conditions Applicable to Sub-Sections A and B

#### Compulsory First Amount Payable

##### 1. Basic First Amount Payable - Sub-Section A

The Insured shall be responsible for the first R1000 (one thousand rand) in respect of each and every claim excluding Burglary claims.

##### 2. Burglary Claims

The Insured shall be responsible for the first 10% (ten percent) subject to a minimum of R1 000 (one thousand rand) in respect of each and every claim.

##### 3. Basic First Amount Payable - Sub-Section B

- (i) Increased cost of working

The Insured shall be responsible for the first R150 (one hundred and fifty rand) in respect of each and every claim.

- (ii) Reinstatement of data/programmes

The Insured shall be responsible for the first R150 (one hundred and fifty rand) in respect of each and every claim.

##### 4. Burglar Alarm

In respect of any premise stated in the schedule, a burglar alarm shall be installed and it is a condition precedent to the liability of the Insurers and warranted that

- (a) the burglar alarm installed at the premises shall be made fully operative however the protected building (s) is/are not open for business unless a principal, partner, director or employee of the insured is in the protected building (s)

- (b) Unless specifically stated to the contrary, all buildings on the premises are to be protected by the alarm.

and it is further warranted that:

##### 1. Where the installed alarm is an approved and certified burglar alarm

The Insurers will be entitled to request full information of the relevant arming and disarming log after the occurrence of a claim.

or

##### 2. Where the installed alarm is not an approved and certified burglar alarm

- (a) the said alarm is to be a dual monitoring alarm where available (for the purposes of this requirement, dual monitoring shall mean that once the alarm is triggered a signal will be transmitted by two different methods to the control room of the company monitoring the alarm)
- (b) If the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available
- (c) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and after the occurrence of a claim, the insurers will be entitled to request full information of the relevant log.
- (d) such alarm will be maintained in proper working order but the insured shall be deemed to have discharged their liability of they have maintained their obligations under a maintenance contract with the installation/ service company of the alarm system.

Loss of or damage to the property following the use of the keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the insured unless such keys, keypad code or remote control have been obtained by violence or threat of violence to any person or such keys, keypad code or remote control was obtained by theft or burglary.



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## SINGLE TRANSIT – PEDIGREE ANIMALS, LIVESTOCK, GAME AND OSTRICHES

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### Defined Events

The Company shall indemnify the Insured in respect of loss of or damage resulting from death of the insured property described in the Schedule, the property of the Insured whilst in transit or within 14 (fourteen) days thereafter as a result of an accident or in the case of pedigreed animals only, due to illness sustained or contracted during the transit in or on any means of conveyance by road caused by any accident or misfortune not otherwise excluded

Provided that:

the liability of the Company in respect of all loss or damage arising from any single occurrence or series of occurrences resulting from or attributable to any single source or original cause shall not exceed the limit of indemnity stated in the Schedule against such pedigreed animals, livestock, game or ostriches.

### Restricted Cover (If stated In the Schedule to be Included)

Fire, lightning, flood, collision and overturning limitation

The insurance under this Section is limited to death during the period of insurance of any pedigreed animal, all other livestock, game and ostriches specified in the Schedule as a result of fire, lightning, flood, collision or overturning of the conveyance including loading and unloading

Provided that:

the liability of the Company in respect of all loss or damage arising from any single occurrence or series of occurrences resulting from or attributable to any single source or original cause shall not exceed the limit of indemnity stated in the Schedule against such pedigreed animals, livestock, game or ostriches.

### Specific Exceptions

The Company shall not be liable in respect of loss or damage resulting directly or indirectly from or caused by:

- (a) destruction in compliance with the requirements of any statute or any order of a government department or local authority;
- (b) accident or disease sustained or contracted elsewhere than in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe and Malawi;
- (c) accident or disease sustained or contracted during transit by air or by sea;
- (d) the intentional slaughter or destruction of pedigreed animals, livestock, game and ostriches whether by or under order of any government or public or local authority or any person or body having jurisdiction in the matter or otherwise

Provided that:

the Company will not invoke this particular Exception as a defence where:

- (i) the Company shall have expressly agreed to destruction of the pedigreed animals, livestock, game, ostriches, or;
- (ii) an insured pedigreed animal, livestock, game or ostriches suffers an injury or in the case of pedigreed animals only, is affected with an excessively painful disease and a qualified veterinary surgeon appointed by the Company certifies that it is incurable and so excessive that immediate destruction is imperative for humane reasons, or;
- (iii) an insured pedigreed animal, livestock, game or ostriches suffers an injury or in the case of pedigreed animals only, is affected with an excessively painful disease and a qualified veterinary surgeon appointed by the Insured shall first have given a certificate that the suffering of such pedigreed animal, livestock, game or ostriches is incurable and so extensive that immediate destruction is imperative for humane reasons without waiting for the appointment of a veterinary surgeon by the Company

Provided that:

in all such cases of (i), (ii) or (iii) above the Company shall be given the opportunity of having a post mortem examination carried out by their veterinary surgeon should they so desire;

- (e) death directly or indirectly caused by or in consequence of:
  - (i) any surgical operation unless conducted by a qualified veterinary surgeon and is certified by him/her to have been necessitated solely by accident disease or illness and to have been carried out in an attempt to preserve the pedigreed animals, livestock, game or ostrich's life;
  - (ii) the administration of any medication unless by a qualified veterinary surgeon (or experienced personnel directed by him/her) and certified by a veterinary surgeon to have been of a prophylactic nature or necessitated by accident, disease or illness. As used herein "medication" includes any drug, hormone, vitamin, protein or other substance other than unadulterated food or water;
- (f) consequential loss however this may arise;
- (g) liability to third parties;
- (h) theft;
- (i) loss or damage incurred in transit while any vehicle is being driven by:



- (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
- (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles

Provided that:

any driver shall be deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under the territorial limits of this Section, or if non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal, or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners

- (j) loss of or damage to the insured property consequent upon Hijacking or any attempt thereof;
- (k) trampling or suffocation resulting in death or destruction of pedigreed animals, livestock, game or ostriches whilst in transit in or on any means of conveyance.

## Specific Conditions

### 1. Notification of Claim

Notwithstanding anything to the contrary contained in General Condition 7:

- (a) the Insured shall give immediate notice to the Company of any illness of or accident to any pedigreed animal, livestock, game or ostriches described in the Schedule and shall at his/her own expense immediately provide for adequate attendance and treatment by a veterinary surgeon and when required shall furnish a report by the attending veterinary surgeon on the condition of the pedigreed animal, livestock, game or ostriches. The Insured shall at all times use and exercise all due and reasonable care and safeguard against loss or danger of loss and shall comply with all reasonable regulations and directions given by the Company or by a veterinary surgeon employed by the Company;
- (b) on the death of any pedigreed animal, livestock, game or ostriches described in the Schedule the Insured shall immediately give notice thereof to the Company and shall give the Company the opportunity of inspecting the carcass by not cutting or disposing of such carcass before expiry of a minimum period of 24 (twenty-four) hours after such notice has been received by the Company. The Insured at his/ her own expense shall within 14 (fourteen) days after being requested so to do furnish the Company with such information accompanied by such veterinary certificates and satisfactory proof as to death, identity and value of the pedigreed animal, livestock, game or ostriches as the Company may require. The burden of proving that an insured pedigreed animal, livestock, game or ostriches has not died from an excluded cause as described in this Section shall rest upon the Insured. If the claim be admitted the Insured shall dispose of the carcass to the best advantage and the amount realised shall belong to the Company.

### 2. Condition of Animals

Warranted that the pedigreed animal(s), livestock, game or ostriches described in the Schedule are all in good condition and free from any injury or illness at the commencement of this insurance

### 3. Fire Extinguishing Charges

If the property described in the Schedule is lost or damaged by fire whilst in course of a transit insured by this Section the Company will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire provided that the maximum amount payable under this Specific Condition shall not exceed R2 000 (two thousand rand) any single event.

### 4. Debris Removal (Applicable to Transit Cover only)

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a maximum limit of R2 000 (two thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

### 5. First Amount Payable

The Company shall not be liable for:

the first 10% (ten percent) or R250 (two hundred and fifty rand) whichever is the greater of each and every claim

or

(b) the first amount percentage and/or First Amount Payable stated in the Schedule whichever is the greater of each and every claim.



## 6. Period of Transit

Transit shall be deemed to commence with the loading on any means of road conveyance (including carrying goods thereto) and continue during transportation to the consignee and temporary storage during the course of the journey and to end with the delivery including unloading of the property at destination.

## 7. Refusal of Receipt

If any consignee shall refuse to accept property despatched by the Insured then transit shall be deemed to continue and the insurance in respect of such property shall remain in force until the property is delivered at the premises of the Insured

Provided that:

the Insured shall take all reasonable steps to ensure that the property is returned to him/her as soon as is reasonably possible.

## 8. Other Means of Conveyance

Where the means of conveyance is by specified vehicle(s) the insurance by this Section shall apply to property in or on any vehicle temporarily used in place thereof whilst the specified vehicle is undergoing repair or servicing

Provided that:

such replacement vehicle is not the property of the Insured nor leased or hired by him/her under a lease or hire purchase agreement except when hired for such period as is necessary for repair or servicing of the means of conveyance.

## 9. Breakdown of Means of Conveyance

In the event of breakdown during transit of the means of conveyance or if for any reason beyond the Insured's control the property is endangered nothing contained herein shall debar the utilization of any other form of transport to assist completion of the transit and the insurance afforded shall not be prejudiced thereby.

## Endorsements Applicable if so stated In the Schedule

### 1. Hijacking Cover

In consideration of the payment of an additional premium Specific Exception (j) of this Section is cancelled and cover is extended to include loss of or damage to the property as stated in the Schedule as a result of Hijacking but limited to the sum insured stated in the Schedule in respect of any single occurrence

Provided that:

the Insured shall be liable for the first 20% (twenty percent) of each and every claim.

### 2. Riot and Strike

In consideration of the payment of an additional premium and subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this Section is extended to cover loss or damage directly occasioned by or through or in consequence of:

civil commotion, labour disturbances, riot, strike or lockout;

the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss-or damage-of any kind -or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 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 (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.



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## SINGLE TRANSIT GENERAL

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### Defined Events

The Company shall indemnify the Insured in respect of loss of or damage to the whole or part of the insured property which includes containers and/or covers in which the cargo is packed, the property of the Insured whilst in transit in or on any means of conveyance caused by any of the insured perils.

The liability of the Company in respect of any one item of this Section for all loss or damage in respect of any single occurrence or in respect of a series of occurrences resulting from or which is attributable to any single source or original cause shall not exceed the amount insured against such item mentioned in the Schedule of this Section.

### Insured Perils

The Company shall indemnify the Insured up to the limit of indemnity as stated in the Schedule in the event of loss of or destruction of or damage to the insured property the property belonging to the insured directly caused by fire, lightning, flood, collision and overturning of the conveyance, loading and/or unloading of the cargo and theft following the abovementioned occurrences whilst conveyed in or on any means of conveyance.

### Specific Exceptions

This Section does not cover:

- (a) depreciation or loss or damage arising from wear and tear, dents, scratches or occasioned by moth, vermin, insects, damp, mildew, rust or any process of heating, drying, cleaning, dyeing, alteration forepart which the said property is subjected;
- (b) loss or damage by theft or attempt thereat or dishonesty of any principal, partner, director or any person in the employ of the Insured whether acting alone or in collusion with others;
- (c) earthquake, volcanic eruptions or other convulsions of nature;
- (d) breakage of articles of a brittle nature unless such breakage is caused by burglars, thieves or fire;
- (e) loss by leakage of any liquid from the receptacle in which it is contained except when caused by perils insured against in this Section;
- (f) deeds, bonds, coins, money, securities, stamps, stamp collections, plans, patterns, designs, documents of title, contracts or other documents, business books or manuscripts unless specifically stated in the Schedule;
- (g) damage to any working machine or part thereof as a result of electronic, electrical or mechanical breakdown;
- (h) consequential loss of any nature whatsoever;
- (i) inherent vice or defect regarding the insured property;
- (j) loss of or damage attributed to by inferior packing;
- (k) loss or damage incurred while any vehicle is being driven by:
  - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
  - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his/her business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles

Provided that:

any driver shall be deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under the territorial limits of this Section, or if non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal, or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners;

- (l) loss of or damage to the insured property consequent upon hijacking or any attempt thereat;
- (m) loss of or damage resulting from death and/or destruction of livestock, pedigreed animals, game and/or ostriches;
- (n) breakdown of refrigeration equipment;
- (o) detention confiscation or requisition by customs or other officials or authorities;
- (p) loss of or damage to property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

### Specific Conditions

#### 1. First Amount Payable

The Company shall not be liable for:





- (a) the first 5% (five percent) or R500 (five hundred rand) whichever is the greater of each and every claim or
- (b) the first amount percentage and/or First Amount Payable stated in the Schedule whichever is the greater of each and every claim.

## 2. Period of Transit

Transit shall be deemed to commence with the loading on any means of conveyance (including carrying goods thereto) and continue during transportation to the consignee and temporary storage during the course of the journey and to end with the delivery including unloading of the property at destination.

## 3. Refusal of Receipt

If any consignee shall refuse to accept property despatched by the Insured then transit shall be deemed to continue and the insurance in respect of such property shall remain in force until the property is delivered at the premises of the Insured

Provided that:

the Insured shall take all reasonable steps to ensure that the property is returned to him as soon as is reasonably possible.

## 4. Other Means of Conveyance

Where the means of conveyance is by specified vehicle(s) the insurance by this Section shall apply to property in or on any vehicle temporarily used in place thereof whilst the specified vehicle is undergoing repair or servicing

Provided that:

such replacement vehicle is not the property of the Insured nor leased or hired by him under a lease or hire purchase agreement except when hired for such period as is necessary for repair or servicing of the means of conveyance.

## 5. Breakdown of Means of Conveyance

In the event of breakdown during transit of the means of conveyance or if for any reason beyond the Insured's control the property is endangered nothing contained herein shall debar the utilization of any other form of transport to assist completion of the transit and the insurance afforded shall not be prejudiced thereby.

## 6. Debris Removal

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a limit of R2 000 (two thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

## 7. Fire Extinguishing Charges

If the property described in the Schedule is lost or damaged by fire whilst in course of a transit insured by this Section the Company will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire

Provided that:

the maximum amount payable under this Specific Condition shall not exceed R2 000 (two thousand rand) any single event.

## Endorsements Applicable if so stated in the Schedule

### 1. Hijacking Cover

In consideration of the payment of an additional premium Specific Exception (I) of this Section is cancelled and cover is extended to include loss of or damage to the property as stated in the Schedule as a result of hijacking

Provided that:

the Insured shall be liable for the first 20% (twenty percent) of each and every claim.

### 2. Riot and Strike

In consideration of the payment of an additional premium and subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this Section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;



- (e) loss or damage related to or caused by any occurrence referred to in General Exception 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 (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.



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## BUILDINGS COMBINED

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### Defined Events

The Company will indemnify the Insured in respect of:

Loss of or damage to the buildings including all outbuildings thereto, (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the Schedule) and sporting and recreational structures, landlord's fixtures and fittings therein and thereon, walls (except dam walls), gates, posts, fences (other than hedges) and tarred or paved roads, driveways, paths or parking areas situated as stated in the Schedule by any of the Perils described in Sub-Section A and public supply or main connections by the Perils described in Sub-Section B and rent as provided for in Sub-Section C and liability as provided for in Sub-Section D.

### Sub-Section A: Loss or Damage Caused by any of the Undermentioned Perils, to the Buildings stated in the Schedule

1. Fire, lightning, thunderbolt subterranean fire, explosion
2. Earthquake
3. Storm, wind, water, hail or snow, but excluding loss or damage
  - (a) that arises from its undergoing any process necessarily involving the use or application of water
  - (b) as a result of wear and tear or gradual deterioration
  - (c) by subsidence or landslip
  - (d) to gates, posts and fences not constructed of stone, concrete or brick
  - (e) to retaining walls
4. Aircraft and other aerial devices or articles dropped therefrom
5. Impact by animals, trees (except falling trees whilst contractors are engaged in the felling thereof), aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes, vehicles or property in or on such vehicles
6. Burglary (or any attempt thereat) accompanied by forcible and violent entry into or exit from any building
7. Malicious damage (as defined in Sub-Section E)
8. Accidental damage to sanitary ware, but the amount payable will be reduced by R250 (two hundred and fifty rand) for each and every such damage.

### Sub-Section B: Damage to Public Supply Main Connections

Accidental damage to water, sewerage, gas, electricity and telecommunication connections and other underground pipes the property of the Insured or for which they are legally responsible, between the property insured and the public supply or mains.

### Sub-Section C: Loss of Rent

Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 25 % (twenty five percent) of the sum insured on the affected property. The basis of calculation shall be the rent payable immediately preceding the damage or its equivalent in rental value.

### Sub-Section D: Legal Liability

Damages for which the Insured shall become legally liable to pay consequent upon:

1. accidental death of or bodily injury to or illness of any person (hereinafter termed injury)  
or
2. accidental physical 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

Provided that:

the amount payable inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source shall not exceed the amount of R1 000 000 (one million rand).

### Specific Exceptions (Applicable to Sub-Section D – Liability)

The Company will not indemnify the Insured under this Sub-Section in respect of:

1. injury or damage sustained by
  - (a) any member of the same household as the Insured;
  - (b) 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;



- (c) 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
  - (a) (i) belonging to the Insured;
  - (ii) in the custody or control of the Insured or any employee of the Insured;
  - (b) 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. (a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination

Provided that:

this Exception shall not apply where such seepage, pollution or contamination is caused by a sudden unintended and unforeseen occurrence

- (b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substance unless the seepage, pollution or contamination is caused by a sudden unintended and unforeseen occurrence.

This Exception shall not extend this Section to cover any liability which would not have been insured under this Section in the absence of this Exception

- 5. fines, penalties, punitive, exemplary, or vindictive damages.

### Special Provisions to Sub-Section D – Liability

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 Insured shall be treated as though separate Policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the limit of indemnity stated in the Schedule.

2. Provided that the aggregate liability of the Company is not increased beyond the limit of indemnity stated, the Company will also indemnify as though a separate Policy had been issued to each:

- (a) in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured;
- (b) any partner or director or member or employee of the Insured (if the Insured so requests) against any claim for which the Insured are entitled to indemnity under this insurance.

3. In respect of this Sub-Section only, General Exception 1 is deleted and replaced by the following:

“This Sub-Section 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 or military or usurped power.”

4. If at the time of any event giving rise to a claim under this Sub-Section, indemnity is also provided under any other insurance, this Sub-Section 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.

### Sub-Section E: Malicious Damage

This Section is extended to cover loss or 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 loss or damage other than loss or damage to:

- 1. movable property which is:
  - (a) stolen
  - (b) 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
  - (a) the removal or partial removal or any attempt thereof;
  - (b) the demolition or partial demolition or any attempt thereof;
 the said immovable property or any part thereof with the intention of stealing any part thereof

Provided that this Extension does not cover:

- (a) loss or damage related to or caused by fire or explosion;
- (b) consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;



- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A)(i), (ii), (iii), (iv), (v), (vi) or (vii) 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 proviso (a) (b) (c) (d) or (e) loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

If any building insured or containing the insured property becomes unoccupied for 30 (thirty) consecutive days, the insurance in respect of this Extension is suspended as regards the property affected unless the Insured, before the occurrence of any damage, obtains the written agreement of the Company to continue this Extension.

During the period of the initial unoccupancy of 30 (thirty) consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% (twenty percent) of the claim before deduction of any First Amount Payable.

Sub-Section F: Damage to Water Tanks, Water Apparatus or Water Pipes

Loss of or damage to water tanks, water apparatus or water pipes the property of the Insured installed in the buildings described in the Schedule.

## Specific Conditions

### 1. Rebuilding Costs

The insurance under this Section covers costs necessarily incurred by the Insured in respect of the following as a result of loss or damage caused by any of the insured events

- (a) Architects, Surveyors, Consulting Engineers and other fees approved by the Company
- (b) demolition, debris removal or the erection of pavement hoardings during rebuilding operations
- (c) costs to comply with Building Regulations framed in accordance with any act of parliament or by ordinance of any municipal or other local authority

Provided that:

the liability of the Company in respect of these costs payable in addition to any other payment will not exceed 20 % (twenty percent) of the Sum Insured.

### 2. Capital Additions

The insurance under this Section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property for an amount not exceeding 20% (twenty percent) of the sum insured thereon, it being understood that the Insured undertake to advise the Company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

Inflation of Sums Insured (if stated in the schedule to be included)

Applicable only to the sums insured specified for Buildings only.

The company will pay the additional costs of reinstatement or replacement incurred between the time of the loss and the actual reinstatement or replacement which are due to inflationary escalation in costs during such period.

Provided that:

- (a) The indemnity herein shall be without force or effect if the insured is unable or unwilling to reinstate or replace the property damage on the same or another site.
- (b) Any amounts payable which may be indemnified in terms of any other policy shall be deducted from any amount payable in terms of this policy
- (c) This extension is limited to the percentage specified in the schedule based on the replacement value at the time of the loss.

The additional premium payable hereon will be calculated at 25% (percent) of the premium produced by applying the percentage specified to the annual premium for the sum insured.

### 3. Fire Extinguishing Charges

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.

### 4. Mortgagee

The interest of any mortgagee in this 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.

### 5. Public Authorities Requirements

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 Specific Condition shall not include
  - (a) the costs incurred in complying with any of the aforesaid regulations
    - (i) in respect of damage occurring prior to granting of this Specific Condition
    - (ii) in respect of damage not insured under this Section
    - (iii) under which notice has been served upon the Insured prior to the happening of the damage
    - (iv) 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
  - (b) 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
  - (c) 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 Specific Condition not being thereby increased
3. if the liability of the Company under any item of this Section apart from this Specific Condition shall be reduced by the application of any of the terms, exceptions and conditions of this Section, then the liability of the Company under this Specific Condition 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 sum insured thereby.

#### 6. Railway, Fuel Pipeline and Fuel Storage Subrogation

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

#### 7. Reinstatement Value

In the event of property other than stock 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:

- (a) 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, and in any case must be completed within 12 (twelve) months after the destruction or damage or within such further time as the Company (during the said 12 (twelve) months) in writing allow, otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;
- (b) 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;
- (c) 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 property had been damaged exceeds the sum insured 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 share 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;
- (d) these conditions shall be without force or effect if:
  - (i) the Insured fail to intimate to the Company within 6 (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;
  - (ii) the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

#### 8. Temporary Removal

Except in so far as otherwise insured, landlord's fixtures and fittings are covered while temporarily removed to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi

Provided that:

the amount payable under this Specific Condition shall not exceed that which would have been payable had the loss occurred on the premises from which the property is temporarily removed.

#### 9. Tenant

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, exceptions 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.

#### 10. Underinsurance (Not applicable to Peril 8 (Accidental Damage) of Sub-Section A)

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 sum insured 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.

#### 11. Security Firms (Applicable to Sub-Section D - Liability)

Notwithstanding Specific Exception 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 this Sub-Section includes such legal liability to the extent that indemnity would have been granted under this Sub-Section had the said employees been under a contract of service to the Insured and not the security firm, but not exceeding the limit of liability stated in the Schedule for this Sub-Section.

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.

#### 12. Lightning Conductors

It is a condition precedent to liability in terms of this Section that all buildings with grass, straw or thatched roofs be supplied with and properly fitted with an SASS-approved lightning conductor or lightning conductor of a similar standard or more superior which is installed with the exclusive purpose of conducting lightning away from the said building.

### Endorsements Applicable if so stated In The Schedule

#### 1. Subsidence and Landslip

In consideration of the payment of an additional premium this Section is extended to cover:

Damage caused by Subsidence and Landslip

Provided that:

the Insured shall bear the first portion of each and every claim up to an amount calculated at 1% (one percent) of the sum insured on the property or R500 (five hundred rand) whichever is the greater. This amount is payable in addition to any other amount that may be applicable.

For the purposes hereof, any damage shall be deemed to be damage caused by fire

Provided that:

this Extension does not cover:

- (a) damage to drains, watercourses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
- (b) damage caused by or attributed to
  - (i) faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises;
  - (ii) workmen engaged in making any structural alterations, additions, or repairs to any building situated at the insured premises;
  - (iii) excavation on or under land other than excavations in the course of mining operations
- (c) consequential loss of any kind whatsoever except loss of rent.

In any action suit or other proceeding where the Company alleges that, by reason of the provisions of this Extension any damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

#### 2. Riot and Strike

In consideration of the payment of an additional premium and subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein Sub-Sections A, B, and C of this Section are extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot strike or lockout;
- (ii) 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 Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;



- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 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 proviso (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

### 3. Escalator Clause

During each period of insurance, the sum(s) insured under Sub-Section A of this Section shall be increased by that portion of the percentage specified in the Schedule 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 sum(s) insured in force at the commencement of the period of insurance.

At each renewal date, the Insured shall notify the Company of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this Extension shall cease to apply.

The additional premium for this Extension shall be 50% (fifty per cent) of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this Extension applies.

### 4. Prevention of Access Extension to Sub-Section C - Loss of Rent

If property within a 10 (ten) km radius of the premises stated in the Schedule is lost or damaged by a peril defined in Sub-Section A 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 25 percent of the sum insured 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.

### 5. Guesthouses (Accommodation and Lodging)

*A In consideration of the payment of an additional premium and notwithstanding anything contained herein to the contrary the following perils in respect of Sub-Section A of the Defined Events are added/amended in terms of this Section:*

- (i) The escape of water from washing machines or dishwashers and the bursting or overflowing of water tanks, water apparatus or water pipes including damage to the water tanks, water apparatus or water pipes and the accidental leakage of oil from fixed oil-fired heating installations;
- (ii) Collapse or breakage of antennae, satellite dishes as well as damage to these items, if they form a fixed part of the insured building(s) and damage was caused by perils 1 to 7 of Sub-Section A of this Section;
- (iii) Accidental damage to:  
fixed glass and mirrors against walls, in windows, doors, fanlights, skylights, solar heating systems, fixed external signs and verandas, stove glass tops, fixed wash basins, baths, pedestals, sinks, lavatory pans and splash-backs (but excluding chipping, scratching and other disfiguration) forming fixed part of the building(s);
- (iv) Accidental loss of or damage (excluding wear and tear) to fixed swimming pool and jacuzzi machinery or borehole pumps (excluding windmills) for domestic use only, electrified gates and garage doors installed at the insured building(s) in use as guesthouse(s)

Provided that:

- (v) the liability of the Company shall not exceed R2 000 (two thousand rand) in respect of any one occurrence;
- (vi) Accidental discharge or leakage from fire extinguishing installations or appliances;
- (vii) Total or partial failure of the public supply of electricity to the premises of the Insured

Provided that:

this Extension does not cover loss or damage resulting from damage directly or indirectly caused by:

- (i) shortage of fuel or water;
- (ii) a fault on any part of the installation belonging to the premises;
- (iii) the exercising by an authority empowered by law to supply electricity of its power to withhold or restrict supply unless such withholding is directly attributed to damage to property of such authority;

The Company will not be liable under this Extension unless such interruption or interference extends beyond 24 (twenty four) consecutive hours from the commencement thereof.

Loss or damage to the contents of any refrigeration- freezer unit at the insured premises by putrefaction, rotting and deterioration by:

- (a) change in temperature due to:
  - (i) failure of the operation of the refrigeration unit due to the non-operation (as a result of inherent vice or cause) of the thermostat system controlling the installation or the failure of the wiring from the main switch to the additional/auxiliary switches and power points and the connections between the additional switches and power points and the motors as well as the failure of the switches and power points.





- (ii) failure of the public supply of electricity and/or gas at the terminal ends of the Supply Authorities service feeders in the insured's premises.
  - (iii) the erroneous setting of any thermostat control including the accidental switching off of the supply controlling the installation.
- (b) the operation of refrigerant escaping from the fridge- freezer units

Provided that:

this extension does not cover :

- (a) loss or damage caused by the deliberate act of the Supply Authorities to withhold or limit the supply of electricity and/or gas.
- (b) more than R10 000 (ten thousand Rand) any one incident or event.

The insured is responsible for the First Amount Payable of R2500 (two thousand five hundred Rand) in respect of each and every event described in 15(i) and 15(ii) above.

Insured Peril 6 in respect of Burglary is restated as follows:

"Burglary (or any attempt thereat) accompanied by forcible and violent entry into or exit from the building(s) or as a result of theft or attempt thereat accompanied by violence or threat of violence.

In the event of any insured building(s) or building(s) containing property insured being left unattended for a period of 30 (thirty) consecutive days cover under this item is suspended in respect of the affected property unless the Company confirms in writing, prior to any loss or damage to extend this Extension. During the initial period of 30 (thirty) consecutive days of un-occupation the insured is regarded as a co-insurer with the Company and shall bear a rateable share of the loss being 20% (twenty percent) of such loss before deducting any First Amount Payable. The Company's liability is limited to 25% (twenty five percent) of the Sum Insured and the insured shall be liable for the first 10% (ten percent) minimum of R2500 (two thousand five hundred Rand) of each and every claim.

**B** *Sub Section C: Loss of Rent*

This sub section is restated to read as follows:

"Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 25 % (twenty five percent) of the building(s) sum insured including fixtures and fittings thereon and therein. The basis of calculation shall be the rent payable by the insured as tenant of the building(s) including fixtures and fittings thereon and therein immediately preceding the damage or if the insured is not the tenant of the building(s) including fixtures and fittings therein or thereon the equivalent in rental value which would have been received as rental for the letting of the building(s) including fixtures and fittings thereon or therein from a single independent legal entity.



## MONEY

### Defined Events

The Company shall indemnify the Insured in respect of loss of or damage to money, receptacles and clothing (as defined) subject to the limits stated hereunder occurring in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe and Malawi Provided that:

the liability of the Company for all loss or damage arising from all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the specific limitations stated in the Schedule.

### Specific Exceptions

The Company shall not be liable for:

- (a) any loss arising from fraud or dishonesty of the Insured's principles, partners, directors or employees not discovered within 14 (fourteen) working days of the offence being committed;
- (b) unaccountable shortages due to error or omission;
- (c) any loss arising following the use of keys of the safe(s) or strong room(s) if such keys are as a general rule left in the premises after business hours;
- (d) consequential loss or damage of any nature whatsoever;
- (e) loss of money out of any unattended vehicle.

### Definitions

#### 1. Money

Money shall mean cash, bank and currency notes, cheques, postal orders, money orders, current negotiable stamps, revenue and holiday stamps, credit card vouchers and documents or certificates of a negotiable nature and telephone cards the property of the Insured or for which he/she is responsible all the aforementioned in possession for the purposes of the Insured's business as mentioned in the Schedule and not for personal purposes.

#### 2. Receptacle

Receptacle shall mean any safe, strong room, strongbox, till, cash register, cash box or other receptacle for money or any franking machine.

#### 3. Clothing

Clothing shall mean clothing and personal effects not otherwise insured belonging to the insured or to any principal, partner, director or employee of the Insured.

### Extensions

#### 1. Personal Accident (Assault)

The Company shall pay to the Insured on behalf of such person or his/her estate the sum or sums of money specified below in respect of any principal, partner, director and/or employee of the Insured (including the Insured) who sustains bodily injury caused by accidental violent external and visible means as a result of burglary or theft or any attempt thereat, during the course of their duties in the Insured's employ.

- (a) Death occurring within 24 (twenty four) calendar months of bodily injury as aforesaid R5 000
- (b) Permanent disablement as described below occurring within 24 (twenty four) calendar months of bodily injury as aforesaid and not followed within 24 (twenty four) calendar months of the said bodily injury by the death of such person. The following percentage of the above amount

Description of disablement:		
Loss by physical amputation at or above the wrist or ankle of one or more limbs or the complete and irrecoverable loss of all sight in one or both eyes		100%
Loss of four fingers		70 %
Loss of thumb	- both phalanges - one phalanx	25 % 10%



Loss of index finger	- three phalanges - two phalanges - one phalanx	10 % 8 % 4 %
Loss of middle finger	- three phalanges - two phalanges - one phalanx	6 % 4 % 2 %
Loss of ring finger	- three phalanges - two phalanges - one phalanx	5 % 4 % 2 %
Loss of little finger	- three phalanges - two phalanges - one phalanx	4 % 3 % 2 %
Loss of metacarpals	- first or second (additional) - third, fourth and fifth (additional)	3 % 2 %
Loss of toes	- all of one foot - great toe - both phalanges - one phalanx - other than great, if more than one toe lost each	30% 5 % 2 % 2 %
Loss of hearing	- both ears - one ear	100 % 25 %
Loss of speech		100 %
Injuries resulting in permanent total disablement from following usual occupation or any other occupation for which such person is fitted by knowledge or training		100%

Permanent loss of use of a limb or sense organ shall be treated as loss thereof.

Where the injury is not specified the Company shall determine a percentage of disablement which in its opinion is not inconsistent with the above

(c) Total and absolute disability to attend to any part of usual occupation or business limited to 104 weeks any one injury R50 for each week of total disability

(d) Medical: The reasonable expenses incurred shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) incurred within 24 (twenty four) months of the Defined Event up to a minimum amount of R1 000 (one thousand rand).

The term “bodily injury” shall be deemed to include starvation, thirst and/or exposure to the elements consequent upon illegal detainment following upon burglary or theft or any attempt thereat

Provided that:

- (a) this Section does not cover:
  - (i) death or disablement occasioned by or happening to any such person under the influence or effect (temporary or otherwise) of intoxicating liquor, drugs, anaesthetics or narcotics;
  - (ii) any such person under the age of 15 (fifteen) and over the age of 75 (seventy five);
- (b) the total payment under this Section in respect of any such person shall not exceed the amount payable in the event of death plus total and absolute disability and medical expenses as above;



- (c) the sum specified under Extension 1(c) shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain;
- (d) compensation payable under Extension 1(d) shall be reduced by an amount equal to the compensation received or receivable under any Workmen's Compensation Enactment in respect of any treatment for which compensation is payable under Extension 1(d);
- (e) after suffering bodily injury for which benefit may be payable under this Extension, such person shall submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- (f) General Exception 2 and General Conditions 5 and 10 do not apply to this Extension;
- (g) in respect of this Extension only General Exception 1 is deleted and replaced by the following:

"This Extension does not cover death or bodily injury directly or indirectly caused by or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution or military or usurped power".

## 2. Locks and Keys

In addition to any payment in respect of a defined event the Company will indemnify the Insured in respect of the cost of replacing locks and keys to any receptacle at the insured premises following upon the disappearance of any key to such receptacle or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such

Provided that:

- (a) the liability of the Company in respect of any one loss shall not exceed R2 000 (two thousand rand);
- (b) the Company shall not be liable for the first R200 (two hundred rand) of each and every claim.

## 3. Receptacles and Clothing

In addition to any payment in respect of a Defined Event the Company will indemnify the Insured in respect of receptacles and clothing (as defined) lost or damaged as a result of theft of money or attempted theft of money, provided that the Company's liability under this Extension in respect of clothing shall not exceed R2 000 (two thousand rand), and in respect of receptacles, the amount stated in the Schedule or R2 000 (two thousand rand) whichever is the greater.

## 4. Riot and Strike (If stated in the Schedule to be included)

In consideration of the payment of an additional premium and subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this Section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (a) civil commotion, labour disturbances, riot, strike or lockout;
- (b) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with, any occurrence referred to in (i) above:

Provided that this Extension does not cover

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever;
- (c) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 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 such occurrence.

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

## 5. Skeleton Keys

The insurance under this Section extends to cover loss of or damage to the property insured caused or accompanied by entry to receptacles by use of a skeleton key or other similar device (excluding a duplicate key) provided that the Insured shall establish to the satisfaction of the Company that a skeleton key or device was used.

## Memoranda

1. Loss of or damage to money as insured under this Section arising from dishonesty of any principal, partner, director or person in the employ of the Insured (such person), as defined under this Section, shall be subject to the following compulsory First Amount Payable Clause:

The amount payable hereunder in respect of an event involving any such person or any number of such persons acting in collusion, shall be reduced by;

- (a) 2% (two percent) of the applicable limit under Defined Events, plus



- (b) a further amount of 10% (ten percent) of the net amount payable after deduction of the 2% (two percent) specified in (a) above.
2. The Company shall not be liable under this Section in respect of loss or damage arising from any event in respect of which a claim is payable, or would be payable but for any First Amount Payable or co-insurance clause under the Fidelity Guarantee Section or any other Fidelity insurance.

### Specific Conditions

#### 1. First Amount Payable

The Company shall not be liable for:  
the first 10% (ten percent) of each and every claim  
Provided that:

- (a) the Insured shall be liable for an amount of at least R250 (two hundred and fifty rand) or the amount stated in the Schedule whichever is the greater;
- (b) the First Amount Payable stated in 1(a) above shall not be applicable to losses that may arise in terms of Extensions 1, 2 or 3 of this Section. The latter will only apply in respect of clothing (as defined).

#### 2. First Amount Payable Applicable to Theft of Cheques

Any loss or series of losses attributable to one original event which is payable under this Section and which results from the theft, by means of burglary, violence or threat of violence of any cheque or cheques shall be reduced by a First Amount Payable of 25% (twenty five percent) of the loss indemnifiable by this Section unless:

### Procedure for Drawing and Crossing of Cheques

#### 1. Cheques drawn by the Insured

- (a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended Procedure for Drawing and Crossing of Cheques" or any other superior method approved by the Company and the printed portion of the cheque (as opposed to the written or typed portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau

or

- (b) the cheque has been dispatched to the payee by certified post or any post where the security is equal or superior to certified post.

#### 2. Cheques drawn by someone other than the Insured and which were received by the Insured by post or direct by the cashier

- (a) such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by the Insured and
- (b) the Insured is able to identify the drawer and amount of the cheque from their records.

#### 3. Cheques of which the Insured is the true owner which were drawn by someone other than the Insured and posted to the Insured but did not receive

- (a) the cheque has been drawn and crossed exactly in accordance with the undermentioned Recommended Procedure for Drawing and Crossing of Cheques" or any other superior method approved by the Company

or

- (b) the cheque was dispatched to the Insured by certified post or any post where security is equal or superior to certified post

or

- (c) the invoice of the Insured (to which the payment by cheque relates) contains a message (approved by the Company) on it recommending or requiring that the cheque be drawn in accordance with the undermentioned "Recommended procedure for drawing and crossing of cheques"

Provided that:

the First Amount Payable referred to in Specific Condition 2 shall not be payable in addition to any other First Amount Payable.

### Recommended Procedure for Drawing and Crossing of Cheques and Printing of Blank Cheques

#### A Drawing and crossing of cheques

One of the safest methods of drawing and crossing a cheque which is acceptable to banks is as noted hereunder.

- (a) Delete the pre-printed words 'or bearer'. This limits the possibility of the drawee bank paying out to a bearer who might not be entitled to payment.
- (b) If instead of "or bearer" your cheque has pre-printed on it "or order" these words must also be deleted.
- (c) Write on the face of the cheque the words "not transferable".
- (d) Cross the cheque by drawing two parallel lines across the cheque.
- (e) Write the words "not negotiable" between the two parallel lines referred to in 4 above.
- (f) Ensure that the payee is accurately, properly and fully described for example where the payee is a company its full name should be used: RH Jones (Pty) Ltd not just RH Jones.



Where the bank account number or CC number of the payee is known this should be included after the name of the payee, for example, "RH Jones (Pty) Ltd, Co. No.: 69/123456" or "RH Jones (Pty) Ltd ABC Bank Account no: 123456789". Whilst highly recommended it is not compulsory to use the bank account number of the payee.

- (g) In drawing the cheque no spaces should be left which would allow anyone to add extra words or figures.
- (h) An example of this method of drawing a cheque is attached as Annexure A.
- (i) On the front of the cheque the wording listed in Annexure B (last page of this section) should be printed. Please ensure that space is left on the rear of the cheque for bank stamps and endorsements.
- (j) All the markings on a cheque should be legible and clearly visible. Persons drawing cheques should not use abbreviated or different versions of the terminology used in the example. The words "not neg" and a crossing using a rubber stamp containing a rectangle rather than two parallel lines are worthless.
- (k) The method used to complete cheques should be one which makes an ink impression on the paper like handwriting, a typewriter or a dot matrix printer. The ribbon used on the printer/typewriter should be of the type which impregnates the paper with ink. Do not use:
  - (i) old ribbons
  - (ii) laser printers which do not make an impression into the paper
  - (iii) the "reverse printing technique"
  - (iv) correctable type ribbons.

#### **B Printing of blank cheques**

Blank cheques should only be printed by the Bank itself or a printer licensed by the Automatic Clearing Bureau. These printers know the recommended requirements of banks and should only use approved:

- (a) security paper (CBS1 or superior)
- (b) security designs
- (c) special security inks compatible with the security paper/design
- (d) methods which make it difficult for anyone to make a supply of blank cheques by photocopying the originals.

#### **4. Burglar Alarm (if stated in the schedule to be applicable)**

In respect of any premise stated in the schedule a burglar alarm shall be installed and it is a condition precedent to the liability of the Insurers and warranted that

- (a) the burglar alarm installed at the premises shall be made fully operative however the protected building (s) is/are not open for business unless a principal, partner, director or employee of the insured is in the protected building (s)
- (b) Unless specifically stated to the contrary, all buildings on the premises are to be protected by the alarm.

and it is further warranted that:

##### **1. Where the installed alarm is an approved and certified burglar alarm**

The Insurers will be entitled to request full information of the relevant arming and disarming log after the occurrence of a claim.  
or

##### **2. Where the installed alarm is not an approved and certified burglar alarm**

- (a) the said alarm is to be a dual monitoring alarm where available (for the purposes of this requirement, dual monitoring shall mean that once the alarm is triggered a signal will be transmitted by two different methods to the control room of the company monitoring the alarm)
- (b) If the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available
- (c) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and after the occurrence of a claim, the insurers will be entitled to request full information of the relevant log.
- (d) such alarm will be maintained in proper working order but the insured shall be deemed to have discharged their liability of they have maintained their obligations under a maintenance contract with the installation/ service company of the alarm system.

Loss of or damage to the property following the use of the keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the insured unless such keys, keypad code or remote control have been obtained by violence or threat of violence to any person or such keys, keypad code or remote control was obtained by theft or burglary.



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## PUBLIC LIABILITY

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### Defined Events

#### Claims Made Basis

Damages 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) which occurred in the course of or in connection with the business within the territorial limits and on or after the retroactive date shown in the Schedule, and which results in a claim or claims first being made against the Insured in writing during the period of insurance.

#### The Limits Of Indemnity

The amount payable, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source, shall not exceed the limit of indemnity stated in the Schedule.

#### Territorial Limits

Anywhere in the world but not in connection with:

- (a) any business carried on by the Insured at or from premises outside  
or
- (b) any contract for the performance of work outside

the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

#### Specific Exceptions

The Company will not indemnify the Insured in respect of:

1. liability consequent upon injury to any person employed by the Insured under a contract of service or apprenticeship and arising from and in the course of such employment by the Insured
2. damage to:
  - (a) (i) property belonging to the Insured
  - (ii) property in the custody or control of the Insured or any employee of the Insured
  - (b) that part of any property on which the Insured are or have been working if such damage results directly from such work
3. liability consequent upon injury or damage:
  - (a) caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the Insured
  - (b) caused by or through or in connection with the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any water- craft, locomotive or rolling stock, provided that this Specific Exception shall not relieve the Company of liability to indemnify the Insured in respect of liability consequent upon injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the loading or unloading of any vehicle including goods transported thereby and falling therefrom, insofar as such injury or damage is not insured by any other insurance Policy or Section
  - (c) caused by or through or in connection with:
    - (i) the refuelling of aircraft
    - (ii) the ownership, possession, maintenance, operation or use of aircraft or an airline
    - (iii) the ownership, hire or leasing of any airport airstrip or helicopter pad
  - (d) caused by or through or in connection with goods or products (including containers and labels) sold or supplied and happening elsewhere than on premises occupied by the Insured other than food and drink supplied incidentally for consumption on the premises
  - (e) occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work
4. damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure
5. liability assumed by agreement (other than under the Insured's own standard conditions of contract) unless liability would have attached to the Insured notwithstanding such agreement
6.
  - (a) 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 Specific Exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence
  - (b) 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 Specific Exception shall not extend this Section to cover any liability which would not have been insured under this Section in the absence of this Specific Exception

7. fines, penalties, punitive, exemplary or vindictive damages
8. (a) damages in respect of judgements 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  
(b) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in 8(a) above
9. any claim arising from an event known to the Insured
  - (a) which is not reported to the Company in terms of General Condition 7
  - (b) prior to inception of this Section
10. any claim (in the event of cancellation or non-renewal of this Section) not first made in writing against the Insured within the 48 (forty eight) month period (or extended period in respect of minors) as specified in Specific Condition 2
11. the Basic First Amount Payable (Not applicable to Extensions 12, 15, 16 and 22 to 28) the Insured shall be responsible for the First Amount Payable as stated in the Schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause shall apply to claims arising from damage and shall apply to costs and expenses incurred by the Insured
12. liability consequent upon injury or damage directly or indirectly caused by or in connection with or arising from or attributable to:
  - (a) explosives or the explosion of a boiler
  - (b) flood including the bursting of a dam wall
  - (c) fire and explosion
13. attachment or the diverting of water by the Insured or any person acting on behalf of the Insured
14. damage to sugar cane, plantations and forests caused by spread of fire.

### Memoranda

1. In respect of this Section only, General Exception 1 is deleted and replaced by the following:  
 “This Section 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”.
2. Definitions  
 For the purpose of this Section “Commercial Hunting and/or Game Viewing Activities” shall mean:  
 Any clients, hunters and/or game viewers which participate in any of such activities or make use of any such facilities on the premises the property of or under control of the Insured by payment.

### Specific Conditions

1. Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General Condition 7 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Company.
2. In the event of cancellation or non-renewal of the Policy
  - (a) any claim resulting from a reported event, first made in writing against the Insured during the 48 (forty eight) months immediately following cancellation or non-renewal shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of 48 (forty eight) months will be extended until the expiry of 12 (twelve) months after the attainment of majority by the claimant
  - (b) the Insured may report an event in terms of General Condition 7 to the Company for up to 15 (fifteen) days after cancellation or non-renewal
 Provided that:
  - (i) such event occurred during the period of insurance
  - (ii) any subsequent claim first made in writing against the Insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 (forty eight) month period specified in 2(a) above.
3. Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the Insured
  - (a) on the date that the event was reported by the Insured in terms of General Condition 7
  - or
  - (b) if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.





## Extensions

### 1. Extended Reporting Option

At the option of the Insured and subject to payment of an additional premium to be determined and subject to all the Terms, Exceptions and Conditions of this Section, the Company agrees to extend the period during which the Insured may report an event in terms of General Condition 7 for a period to be agreed, but in no circumstances exceeding 36 (thirty six) months (hereinafter referred to as extended reporting period)

Provided that:

- (a) this option may only be exercised in the event of the Company cancelling or refusing to renew this Section
- (b) this option must be exercised by the Insured in writing within 30 (thirty) days of cancellation or non-renewal
- (c) once exercised, the option cannot be cancelled by either the Insured or the Company
- (d) the Insured has not obtained insurance equal in scope and cover to this Section as expiring
- (e) the Company shall only be liable for a Defined Event which occurred after the retroactive date but prior to date of cancellation or non-renewal
- (f) claims first made against the Insured or any reported event by the Insured during the extended reporting period shall be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal
- (g) the total amount payable by the Company for claims made or reported events during the extended reporting period shall not have the effect of increasing the limit of indemnity applicable as on the last day preceding the cancellation or non-renewal
- (h) any claim made, following a reported event during the extended reporting period, which is first made against the Insured in writing more than 48 (forty eight) months after the last day preceding cancellation or non-renewal, shall not be subject to indemnification by this Extension. If the claimant is a minor, the period of 48 (forty eight) months is extended until the expiry of 12 (twelve) months after the attainment of majority by the claimant.

### 2. Additional Insured

The Company will also, as though a separate Policy had been issued to each, indemnify:

- (a) in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured
- (b) any partner or director or employee of the Insured (if the Insured so requests) against any claim for which the Insured is entitled to indemnity under this insurance
- (c) to the extent required by the conditions of any contract (and notwithstanding Specific Exception 5), and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by the Insured for the purposes of the business
- (d) in respect of the activities of any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like, belonging to or formed by the Insured for the benefit of their employees
  - (i) any officer or member thereof
  - (ii) any visiting sports team or member thereof

Provided that:

- (i) the aggregate liability of the Company is not increased beyond the limits of indemnity stated in the Schedule
- (ii) any person or organisation to which this Extension applies is not entitled to indemnity under any other Policy
- (iii) the indemnity under (a), (b) and (c) applies only in respect of liability for which the Insured would have been entitled to indemnity if the claim had been made against the Insured.

For the purposes of this Extension, the Company waives all rights of subrogation or action which they may have or acquire against any of the above, and each party to whom the indemnity hereunder applies shall observe, fulfil and be subject to the Terms, Exceptions and Conditions (both General and Specific) of this insurance in so far as they can apply.

### 3. Security Firms

Notwithstanding Specific Exception 5, if in terms of a contract with a security firm engaged to protect the Insured's property in the course of the business of the Insured stated in the Schedule or persons, the Insured becomes legally liable for the acts or omissions of the employees of the security firm in the course of their employment, then this Section includes such legal liability to the extent that indemnity would have been granted under this Section had the said employees been under a contract of service to the Insured and not the security firm, but not exceeding the limit of liability stated in the Schedule.

If, at the time of an event 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.

### 4. Cross Liabilities

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 Insured shall be treated as though separate Policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the limit of indemnity stated in the Schedule.



## 5. Tool of Trade

Specific Exception 3(b) shall not apply to the operation as a tool of any vehicle or plant forming part of such vehicle or attached thereto, provided that the Company shall not be liable hereunder in respect of so much of any liability as falls within the scope of any form of motor insurance or compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected, nor shall the Company be liable where any other form of motor insurance has been effected by the Insured covering the same liability.

## 6. Employees' and Visitors' Property

Specific Exception 2(a)(ii) shall not apply to property belonging to any partner, director or employee of the Insured or any visitor to the Insured's premises.

## 7. Liability by Agreement

Notwithstanding the provisions of Specific Exceptions 2(a)(ii), 3(b) and 5, this Section extends to indemnify the Insured

- (a) against liability assumed by the Insured under any contract entered into with or indemnity given to Transnet, government or quasi-government departments, provincial administrations, municipalities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature
- (b) against liability arising from loss of or damage to property belonging to Transnet while in the Insured's custody or control
- (c) in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet while being used by or on behalf of the Insured at any railway siding.

## 8. Unattached Trailers

Specific Exception 3(b) shall, as far as it relates to trailers, not apply in respect of any trailer not attached to and not having become unintentionally detached from any mechanically propelled vehicle, provided that the Company shall not be liable hereunder in respect of so much of any liability which is insured by or would, but for the existence of this Section, be insured by any other Policy or Policies effected by the Insured

(ii) as falls within the scope of any compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected.

## 9. Emergency Medical Expenses

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 of this Section.

## 10. Car Parks

Notwithstanding the provisions of Specific Exception 2(a)(ii), the Company will indemnify the Insured in respect of liability as herein provided arising from loss of or damage to vehicles and their contents and accessories, the property of tenants, customers, visitors or employees of the Insured using parking facilities provided by the Insured.

## 11. Tenant's Liability

Specific Exceptions 2(a)(ii) and 3(b) of this Section shall not apply to premises occupied by the Insured as tenant (but not as the owner) thereof.

## 12. Products Liability (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in Specific Exception 3(d), the Company will indemnify the Insured in respect of Defined Events happening anywhere in the territories stated in the Schedule elsewhere than at premises occupied by the Insured, and caused by goods or products (including containers and labels) sold or supplied (including wrongful delivery and delivery of incorrect goods) by the Insured in connection with the business.

The amount payable under this Extension, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this Extension stated in the Schedule

Provided that:

the Insured shall be liable for the first 10% (ten percent) with a minimum of R1 000 (one thousand rand) or the amount stated in the Schedule for each and every claim in terms of this Extension.

### Additional Specific Exceptions (Applicable to Products Liability Extension)

This Extension does not cover liability:

- (a) for the cost of repair, alteration, recall or replacement of the goods or products (including containers and labels) causing injury or damage
- (b) for the cost of demolition, breaking out dismantling, delivery, rebuilding, supply and installation of the goods or products (including containers and labels) and any other property essential to such repair, alteration or replacement unless physically damaged by the goods or products



- (c) (i) arising from defective or faulty design, formula, plan or specification, but if the Insured is a retailer this Specific Exception (ii) does not apply if the Insured's activities are wholly restricted to sales, distribution and/or marketing (including any marketing advisory service accompanying the products) of the product, and the Insured's activities do not include final preparation which means repackaging, packing, labelling, cleaning or provision of operating instructions prior to sale to the Insured's original customers, nor include any enhancement amendment or alteration to the product
- (d) arising from inefficacy or failure to conform to specification, unless such inefficacy or failure is due to negligence in the following of such specification
- (e) arising from goods or products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft
- (f) in respect of injury or damage happening in the United States of America or Canada caused by or through or in connection with any goods or products sold or supplied by or to the order of the Insured, if such goods or products have, to the Insured's knowledge, been exported to the United States of America or Canada by or on behalf of the Insured.

### 13. Legal Defence Costs

If the Insured so request the Company will indemnify any employee, partner or director of the Insured against costs and expenses incurred by or on behalf of such person with the consent of the Company in the defence of any criminal action brought against such person in the course of his/her occupation with the Insured arising from an alleged contravention of the Statutes as herein defined during the period of insurance

Provided that:

in the case of an appeal, the Company shall not indemnify such person unless a senior counsel approved by the Company shall advise that such appeal should, in his/her opinion, succeed

- (a) the Company shall not indemnify such person in respect of any fine or penalty imposed by any magistrate or judge or any loss consequent thereon
- (b) such person shall, as though he/she were the Insured, observe, fulfil and be subject to the Terms, Exceptions and Conditions of this Policy and this Section thereof in so far as they can apply
- (c) the limit of indemnity under this Extension shall not exceed R50 000 (fifty thousand rand) any one event or series of events with one original cause and R50 000 (fifty thousand rand) in any one (annual) period of insurance.

### The Statutes

The Occupational Health and Safety Act No.85 of 1993 (as amended)

The Mine Health and Safety Act No. 29 of 1996 (as amended)

The Electricity Act No. 41 of 1987 (as amended) and/or any other Act or Ordinance pertaining to the supply of Electricity

all as read in conjunction with the Criminal Procedure Act No. 51 of 1977 (as amended)

The National Veld and Forest Fire Act No. 101 of 1998 (as amended).

### 14. Wrongful Arrest and Defamation

The Defined Events are extended to include damages:

- (a) resulting from wrongful arrest (including assault in connection with such wrongful arrest)
- (b) in respect of defamation
- (c) Provided that:
- (d) the limits of indemnity as stated shall not exceed R50 000 (fifty thousand rand) under each of (i) and (ii) and R100 000 (one hundred thousand rand) in any (annual) period of insurance.

### 15. E.C. Liability (if stated in the Schedule to be included)

Subject otherwise to the Terms and Conditions and Limitations, the following changes are made to this Section of the Policy in respect of "injury" or "damage" (as insured by the Products Liability Extension) which results from goods or products exported to any European Community (E.C.) country or any European Free Trade Associations (E.F.T.A.) country.

- (a) Specific Exceptions 8(a) and 8(b) shall not apply to damages or costs and expenses of litigation recovered by any claimant in respect of judgements delivered in the first instance in courts of the E.C. or E.F.T.A.
- (b) In respect of these goods or products (other than raw materials), the Insured shall:
  - (i) implement and maintain a system in terms of which these goods or products can be clearly identified by batch number or serial number or date stamp or other similar manner
  - (ii) note and maintain a record of the date on which the actual goods or products were first put into circulation. This record shall be maintained so as to provide the required detail for a minimum period of 10 (ten) years after the goods or products were first put into circulation.
- (c) The information mentioned in (b), together with all supporting documentation, shall be made available to the Company or their nominee at any time on request.
- (d) In respect of this indemnity, the Insured shall be responsible for the First Amount Payable shown in the Schedule for this Extension.



#### 16. Droving and Escaping of Animals and Stray Animals

The indemnity by this Section is extended to include the Insured's legal liability arising from droving and/or escaping of animals and stray animals

Provided that:

- (a) the Insured takes all reasonable precautions to prevent damage and complies with the Law regarding the droving of animals on public roads
- (b) that all gates and fences of cattle paddocks directly alongside public roads are kept in a good condition and that all gates having access to public roads are properly closed at all times
- (c) the Insured shall be liable for the first 10% (ten percent) with a minimum of R1000 (one thousand rand) and a maximum of R25 000 (twenty five thousand rand) of each and every claim in terms of this Extension,

#### 17. Animals/Livestock (Excluding Horses) at Shows and Auctions

The indemnity by this Section is extended to include the Insured's legal liability arising from the displaying of livestock or whilst such livestock is in the custody of the Insured during an auction.

#### 18. Animals not belonging to the Insured

The indemnity by this Section is extended to include the Insured's legal liability arising from animals (not belonging to the Insured) grazing with the approval of the Insured on the Insured's land

Provided that:

loss of or damage to such animals is not insured under this Extension.

#### 19. Cycles or Animal Drawn Vehicles

The indemnity by this Section is extended to include the Insured's legal liability arising from any cycle or animal drawn vehicle belonging to the Insured or whilst in the custody or control of the Insured including the death of or injury to any person not being an employee of the Insured whilst being carried in or upon or entering or getting on to or alighting from a cycle or animal drawn vehicle.

#### 20. Crop Spraying

The indemnity by this Section is extended to include the Insured's legal liability arising from crop spraying with insecticides and the like on farmlands or veld in the possession of or occupied by the Insured

Provided that:

the Company shall not indemnify the Insured for any liability that may arise out of aerial spraying of crops, plantations, farmlands or veld.

#### 21. Fire Extinguishing Charges

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.

#### 22. Spreading of Fire (If stated in the Schedule to be included)

In consideration of the payment of an additional premium Specific Exception 12(c) of this Section is cancelled

Provided that:

- (a) this Extension does not cover damage to plantations, forest or sugar cane
- (b) the Insured shall be liable for the First Amount Payable of 12,5% (twelve and a half percent) with a minimum of R2 500 (two thousand five hundred rand) and a maximum of R50 000 (fifty thousand rand) or the amount as stated in the Schedule of each and every claim in terms of this Extension.

#### Special Proviso:

It is a condition precedent to liability that the Insured at the time of the occurrence giving rise to a claim in terms of this Extension also complies with all requirements contained in the National Veldt and Forest Fire Act No. 101 of 1998 (as amended)

#### 23. Plantations, Forests and Sugar Cane (If stated in the Schedule to be included)

In consideration of the payment of an additional premium Specific Exception 14 of this Section is cancelled

Provided that:

the Insured shall be liable for the First Amount Payable of 15% (fifteen percent) with a minimum of R5 000 (five thousand rand) and a maximum of R100 000 (one hundred thousand rand) or the amount as stated in the Schedule of each and every claim in terms of this Extension.

#### Special Proviso:

It is a condition precedent to liability that the Insured at the time of the occurrence giving rise to a claim in terms of this Extension also complies with all requirements contained in the National Veldt and Forest Fire Act No. 101 of 1998 (as amended).



#### 24. Work Away from Premises (If stated in the Schedule to be included)

In consideration of the payment of an additional premium and notwithstanding anything to the contrary contained in this Section it is hereby declared and agreed that the expression "premises" as defined in this Section shall be deemed to include any premises at which the Insured is performing work

Provided that:

- (a) such premises are not under the control of the Insured
- (b) the Insured shall be liable for the first 10% (ten percent) with a minimum of R500 (five hundred rand) for each and every claim in terms of this Extension.

#### 25. Liability Consequent upon the Bursting or Overflowing of a Dam Wall (If stated in the Schedule to be included)

In consideration of the payment of an additional premium Specific Exception 12(b) of this Section is cancelled

Provided that:

- (a) the amount payable in terms of this Extension inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source, or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this Extension stated in the Schedule
- (b) the Insured shall be liable for the First Amount Payable of 10% (ten percent) with a minimum of R1 000 (one thousand rand) or the amount stated in the Schedule of each and every claim in terms of this Extension.

#### 26. Guesthouse Liability (Accommodation and Lodging) (If stated in the Schedule to be included)

In consideration of the payment of an additional premium the following amendments will apply:

- (a) PROPERTY OF EMPLOYEES AND VISITORS

Extension 6 is amended to read as follows:

"6. Specific Extension 2(a) (ii) shall not apply to property belonging to any partner in or of or any director, employee of the Insured or any visitor or guest to the Insured's premises

Provided that:

the liability of the Company in respect of property belonging to any visitor or guest shall be limited to R50 000 (fifty thousand rand) inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source

Provided further that:

the Insured shall be liable for the first R250 (two hundred and fifty rand) of each and every claim in terms of this Extension".

- (b) LEGAL DEFENCE COSTS

Extension 13 relating to legal defence costs is amended to include the following acts:

- The Liquor Act No. 27 of 1989 (as amended)
- The Tourism Act No.72 of 1993 (as amended)
- The Health Act No. 63 of 1977 (as amended)

#### 27. Warehouseman's Liability (If stated in the Schedule to be included)

In consideration of the payment of an additional premium and notwithstanding anything to the contrary contained in Specific Exception 2(a)(ii), 2(b) and/or 5 the Company will, in terms of this Section, indemnify the Insured against liability which the Insured shall become legally liable to pay arising out of their activities as

- (a) cold storage operators
- (b) fruit packers
- (c) fruit graders
- (d) warehouseman
- (e) wine cellars, wine makers and/or bottlers

following upon gross negligence.

It is further declared and agreed that this Extension will be subject to the following conditions:

- (i) it is warranted that every client/organisation of the Insured will sign the Insured's standard Conditions of Contract in respect of every undertaking by the Insured involving warehousing by, retaining, storing and/or processing third party property whilst under the custody and control of the Insured
- (ii) cover shall not include loss or damage to third party property by any peril insured or insurable in terms of any other Section(s) of this Policy or insurable in terms of a separate Machinery Breakdown Policy or a separate Deterioration of Stock following a Machinery Breakdown Policy or a separate Loss of Profits following a Machinery Breakdown Policy

Provided that:

- (a) property shall only be accepted by the Insured for storage or any other purpose as stated above if the client/organization requesting the retaining, storage and/or processing thereof has agreed to the terms and conditions contained in the Insured's standard Conditions of Contract by properly signing and dating these terms and conditions



- (b) a specimen copy of such terms and conditions must beforehand be lodged with the Company and may not under any circumstances be altered in any way without the written consent of the Company
- (c) if the property of clients/organisations are delivered for purposes of storage and/or processing prior to inception date of this Extension then the onus is on the Insured to prove that any loss or damage to such property occurred subsequent to the inception date
- (d) the Insured shall at all times display notices in prominent positions on his/her/their premises disclaiming liability for loss of or damage to property
- (e) the Insured shall be liable for the first 10% (ten percent) of each and every claim with a minimum of R5 000 (five thousand rand) or the amount stated in the Schedule whichever is the greater.

#### 28. Commercial Hunting & Game Viewing Activities (If stated in the Schedule to be included)

In consideration of the payment of an additional premium indemnity in terms of this Section pertaining to any form of commercial hunting and/or game viewing activities shall be subject to the following, that:

- (a) no alcohol be consumed during any hunting activities
- (b) all clients participating in any game viewing activities must at all times be accompanied by either the Insured, guide, employee or any delegated person by the Insured
- (c) firing zones regarding the individual hunting group(s)/hunter(s)/client(s) must clearly be demarcated and explained as such to all participants as well as being issued with an area chart clearly indicating the relevant firing zones prior to the commencement of any hunting activity(ties)
- (d) should the "shooting in" and adjustment(s) to any firearm(s) be required by a client, such activity(ties) must be conducted under either the control of the Insured, guide, employee or a delegated person by the Insured
- (e) all requirements contained in any Act Ordinance or Regulation pertaining to hunting and/or game viewing activities must be complied with at all times

#### Special proviso:

It is a condition precedent to liability that the Insured at the time of the occurrence giving rise to a claim in terms of this Specific Conditions also complies with all requirements contained in Condition (i), (ii), (iii), (iv), (v) and (vi) above.

#### Additional Special proviso;

##### Disclaimer / Indemnification

Indemnity in terms of this Section relating to any form of commercial hunting and/or game viewing will be subject to the following conditions:

- (a) all correspondence, notices and disclaimers must be conducted and displayed in at least two official languages of the Republic of South Africa and an interpreter must, on request of any client hunter, guest or other participating party, be available at all times
- (b) the indemnity (disclaimer) wording must be approved by and lodged with the Company
- (c) the legal agreement (disclaimer) between the Insured and his/her/their client(s) shall, prior to the commencement of any commercial hunting and/or game viewing activities, be duly signed by both parties and shall be placed on record
- (d) under no circumstances may any firearms be aimed at a fellow hunter, client or any other person
- (e) such legal agreement (disclaimer) shall be clearly displayed and be visibly positioned at the entrance of the Insured's premises and as such must contain all conditions as stated in (i) to (v) above.



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## GLASS

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### Defined Events

If any of the internal and external glass (including mirrors) the property of the Insured or for which they are responsible at the insured premises described in the Schedule were accidentally broken then the Company shall pay for the replacement of such glass.

Following loss of or damage to glass the Company shall also pay the reasonable cost of:

- (a) boarding up of windows which is necessary prior to replacement of insured glass following breakage;
- (b) the reinstatement of frames damaged at the same time as breakage of insured glass contained therein;
- (c) the reinstatement of fixtures and fittings and window displays damaged as a result of breakage of insured glass;
- (d) removal and replacement of fixtures and fittings necessarily incurred in replacing insured glass following such breakage;
- (e) the cost of employment of a watchman service prior to replacement of glass or boarding up or the repair of the burglar alarm system, unless payable under any other insurance arranged by the Insured

Provided that:

the liability of the Company shall not in the aggregate exceed the amount of R2 000 (two thousand rand).

### Definitions

#### 1. Glass

Unless specifically agreed, all glass (other than mirrors) insured by this Section is presumed to be plain plate/float glass not exceeding 6 mm in thickness, whether coated with a film or not or 6,5 mm laminated safety glass.

#### 2. Breakage

Breakage shall mean only "fracture extending through the entire thickness of glass" and not merely "disfiguration".

### Extensions

#### 1. Ornamentation, Signwriting and Burglar Alarm Strips

The insurance by this Section extends to include the cost of ornamentation, sign writing and burglar alarm strips.

#### 2. Special Replacement (If stated in the Schedule to be included)

If, following loss or damage insured hereunder, the Insured is obliged in terms of the National Building Regulations or similar legislation to replace the damaged glass with glass of a superior quality, then the Company shall be liable for the increased cost of such replacement including (but not limited to) frames therefore

Provided that:

if the cost of so replacing the whole of the insured property (inclusive of other items insured) is greater than the sum insured thereon at the time of the loss or damage, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly.

#### 3. Riot and Strike (If stated in the Schedule to be included)

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

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 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 (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

This Extension shall only apply to loss or damage for which the Insured is responsible as tenant and not as owner.



### Specific Conditions

#### 1. Underinsurance

If the property hereby insured at the time of any loss be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss or damage accordingly. Every item, if more than one, of this Section shall be separately subject to this Condition.

### Specific Exceptions

This Section does not cover:

- (a) loss of or damage to glass in respect of perils insured against in the Fire, Houseowners and Householders Sections or a Fire, Houseowners or Householders Policy of another Insurer;
- (b) loss or damage which is less than R100 (one hundred rand);
- (c) consequential loss or damage of any nature whatsoever;
- (d) glass which has been cracked or damaged before commencement of the insurance under this Section;
- (e) cracked glass or breakage caused by or resulting from alterations or additions to the premises;
- (f) any stock-in-trade.





## GROUP PERSONAL ACCIDENT

### Defined Events

If any principal, partner, director or employer of the Insured (hereinafter in this Section referred to as such person) specified in the Schedule should sustain any bodily injury caused by accidental, violent external and visible means arising from and in the course of his/her employment in the business the Company will pay to the Insured, on behalf of such person or his/her estate, the compensation stated in the Schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 (twenty four) calendar months in death or disability as specified in the Schedule under the heading circumstances.

A	Death	The amount stated in the Schedule
B	<b>Permanent disability shall mean</b>	Percentage of compensation
(a)	loss by physical separation at or above the wrist or ankle of one or more limbs	100
(b)	permanent and total loss of whole of one or both eyes sight of one or both eyes sight of eye except perception of light	100 100 75
(c)	permanent and total loss of hearing both ears one ear	100 25
(d)	permanent and total loss of speech	100
(e)	injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training or being permanently bedridden	100
(f)	loss of four fingers	70
(g)	loss of thumbs both phalanges one phalanx	25 10
(h)	loss of index finger both phalanges two phalanges one phalanx	10 8 4
(i)	loss of middle finger both phalanges two phalanges one phalanx	6 4 2
(j)	loss of ring finger both phalanges two phalanges one phalanx	5 4 2
(k)	loss of little finger both phalanges two phalanges one phalanx	4 3 2
(l)	loss of metacarpals first or second (additional) third, fourth or fifth (additional)	3 2
(m)	loss of toes	



	all on one foot	30
	great, both phalanges	5
	great one phalanx	2
	other than great, if more than one toe lost, each	2
(n)	burns disfigurement	
	permanent disfigurement resulting from	
	(i) 100% of the surface area of the head and/or neck	50
	(ii) 100% of the surface area of the remainder of the body	25

### Memoranda

- (a) Where the percentage disfigurement under (n)(i) or (n)(ii) is less than 100% (one hundred percent) of the surface area the Company will apply to the benefit concerned a percentage based on the extent that actual disfigurement bears to 100% (one hundred percent) disfigurement.
- (b) The Company shall not be liable under (n)(i) or (n)(ii) above unless the extent of disfigurement exceeds 10% (ten per cent) individually under (n)(i) or (n)(ii) above nor until the permanent effect of medical and/or surgical treatment has been established.
- (c) Where the injury is not specified, the Company will pay such sum as, in their opinion, is consistent with the above provisions.
- (d) Permanent total loss of use of part of the body shall be treated as loss of such part.
- (e) 100% (one hundred percent) shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

**C. Temporary Total Disability** shall mean total and absolute incapacity from following usual business or occupation.

**D. Medical Expenses** shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 (twenty four) months of the Defined Event

Provided that:

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for Death or Permanent Disability (whichever is the higher) plus any compensation payable for Temporary Total Disability and Medical Expenses;
2. the compensation specified for Temporary Total Disability shall be payable for not more than the number of weeks stated in the Schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this Section shall not apply to any such person under 15 (fifteen) or over 75 (seventy five) years of age;
4. after suffering accidental bodily injury for which compensation may be payable under this Section, such person shall, when reasonably required by the Company to do so, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
5. General Conditions 5 and 10 do not apply to this Section;
6. in respect of this Section only, General Exception 1 is deleted and replaced by the following:

“This Section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power”;

7. no compensation shall be payable
  - (a) for Temporary Total Disablement where the period of disablement is less than 7 (seven) consecutive days;
  - (b) for Medical Expenses where such expenses are less than R100 (one hundred rand);
8. compensation for Temporary Total Disablement and Medical Expenses shall cease immediately
  - (a) when compensation becomes payable for Death;
  - (b) when compensation becomes payable for Permanent Disability provided the bodily injury which resulted in the disablement has been cured or healed as far as reasonably possible.

### Specific Exceptions

The Company shall not be liable to pay compensation for Death, Disability or Medical Expenses in respect of such person:

- (a) while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- (b) by his/her suicide, attempted suicide or intentional self injury;



- (c) caused solely by an existing physical defect or other infirmity of such person;
- (d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself/herself) or as a result of such person's driving a motor vehicle whilst his/her blood alcohol percentage exceeds the statutory limit at the time of the occurrence;
- (e) as a result of his/her participation in any riot or civil commotion;
- (f) as a result of insanity, any form of neurosis, acquired immune deficiency syndrome (AIDS), venereal disease, any physical defect or weakness, malignant disease of the mammary glands, pregnancy, childbirth, abortion or miscarriage, or any complication or sequelae thereof;
- (g) while he/she is, or as a result of his/her engaging in:
  - (i) motor cycling, motor quad cycling or motor tricycling (whether as a driver or passenger) other than on the business of the Insured;
  - (ii) racing of any kind involving the use of any power driven
    - (aa) vehicle
    - (ab) vessel
    - (ac) craft;
  - (iii) mountaineering necessitating the use of ropes or a guide, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football, hang-gliding, parachuting, skydiving, bungee jumping, wrestling, boxing, scuba diving, water-skiing or martial arts;
- (h) by his/her involvement or participation in any defence force and/or armed forces training, service, exercises or operations except peace time military training;
- (i) as the result of an accident attributable to such person's serious and wilful misconduct;
- (j) whilst such person is using or as a result of such person's use of woodworking machinery other than as a domestic hobby;
- (k) whilst such person is engaged in, or as a result of such person engaging in mining, shaft sinking, underground mining operations, or the manufacture or use of explosives.

## Extensions

### 1. Exposure

Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

### 2. Disappearance

In the event of the disappearance of any such person in circumstances which satisfy the Company that he/she has sustained injury to which this Section applies, and that such injury has resulted in the death of such person, the Company will, for the purposes of the insurance afforded by this Section, presume his/her death provided that if, after the Company shall have made payment hereunder in respect of such person's presumed death, he/she is found to be alive, such payment shall forthwith be refunded by the Insured to the Company.

### 3. Life Support

The 24 (twenty four) calendar months period stated under Defined Events shall not include any period or periods where such person's death is delayed solely by the use, for a period or periods of not less than 3 (three) consecutive days, of life support machinery, equipment or apparatus.

### 4. Repatriation

The Company will pay, in addition to the compensation payable for Death, reasonable and necessary expenses for the repatriation of such person's body to his/her normal place of residence up to an amount not exceeding R5 000 (five thousand rand).

### 5. Funeral Expenses

In the event of an accident giving rise to a Death claim the Company will pay to such person's estate R3 000 (three thousand rand) as a contribution to funeral expenses.

### 6. Passive War Cover (If stated in the Schedule to be included)

In consideration of the payment of an additional premium and notwithstanding anything stated herein to the contrary this Section is extended to provide cover to such a person caused by violent accidental, external and visible means arising from war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection or military or usurped power, terrorist activities including explosive devices planted by terrorists. It being understood that terrorist activity shall mean the deliberate systematical murder, maiming and menacing of the innocent to inspire fear in order to gain political ends, but excluding cover consequent upon such person directly and actively participating or engaging in such activities whether whilst serving in the armed forces except peace time military training or otherwise save, where applicable, to the extent only of adopting or taking such action or steps as were reasonably necessary for the protection of himself/herself, his/her family or his/her employer's property.



#### 7. 24 Hour Cover (If stated in the Schedule to be included)

In consideration of the payment of an additional premium the words “arising from and in the course of his/her employment in the business” stated in the Defined Events of this Section are cancelled.

#### 8. Mobility

In the event of the Company admitting a claim in terms of Compensation B - Permanent Disability, as a direct result of the disability such person is permanently dependent on a wheelchair for mobility, the Company will, in addition to any amount payable for Permanent Disability, compensate for:

- (a) a self-propelled wheelchair and/or;
- (b) the modification of the controls to such person’s motor vehicle and/or;
- (c) if necessary the fitting of wheelchair loading equipment to such person’s private vehicle and/or;
- (d) alterations to such person’s private residence to facilitate the use of such wheelchair up to an amount but not exceeding R10 000 (ten thousand rand) any one occurrence.

The above maximum amount payable any one occurrence will apply notwithstanding General Condition 7 (g) Limit of Liability.

#### 9. Farm Murders

In the event of the death of such person as a result of murder, exclusively caused by and directly in connection with an attack on the farm, the Company will pay double compensation in respect of Compensation A - Death

Provided that:

1. the maximum additional amount payable in respect of death of any one such person in terms of this Extension will not exceed R50 000 (fifty thousand rand)
2. cover in terms of this Extension will be limited to murder which took place on property occupied for farming purposes, the property of, or occupied as tenant or utilized by such person or such person’s spouse
3. insurance cover on at least five Sections of this Policy shall be in force which must include the following Sections:
  - Fire
  - Householders
  - Motor
  - Public Liability
  - Personal Accident
4. for the purposes of this Extension the term “such person” will be limited to the Insured(s) and his/her/their spouse(s) only in the capacity as owner(s), co-owner(s) or tenant(s) of the property occupied for farming purposes
5. the amount payable in terms of this Extension will be payable in addition to compensation for Death stated in the Schedule against such person.



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## OFFICE CONTENTS

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### Defined Events

If any of the contents (excluding documents as defined in Sub-Section C and Electronic Data Processing Equipment) of the Insured's office premises (hereafter called the Offices) situated as stated in the Schedule including landlord's fixtures and fittings the property of the Insured or any principal, partner, director or employee of the Insured or for which the Insured is responsible (but excluding property more specifically insured, stocks and materials in trade and samples) shall be lost or damaged by any of the perils specified in Sub-Section A the Company shall pay to the Insured the value of such contents at the time of the occurrence of such loss or damage or at its option repair or reinstate such contents or any part thereof.

The Company shall pay for loss of or damage to the whole or part of the property insured the Schedule and described in Sub-Section C.

The Company shall pay for loss and/or expenditure described in Sub-Sections B and D.

### Sub-Section A - Contents

- (a) Fire, lightning, thunderbolt, subterranean fire, explosion as stated in
- (b) Earthquake but excluding loss of or damage to property in the underground workings of any mine
- (c) Bursting or overflowing of water tanks, water apparatus or water pipes
- (d) Aircraft and other aerial devices or articles dropped therefrom
- (e) Storm, wind, water, hail or snow
- (f) impact by animals, trees (except falling trees whilst contractors are engaged in the felling thereof), aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles
- (g) Malicious damage (as described in Specific Condition and Extension 8)
- (h) Accidental breakage of mirror glass, plate glass tops of furniture or fixed glass forming part of any article of furniture

Provided that:

- (a) the limit of liability of the Company shall in no case exceed the amount stated in the Schedule;
- (b) the Company shall not be liable under this Section for loss of or damage to any motor vehicle or accessories in or upon such motor vehicle, livestock, bonds including bearer bonds, bills of exchange, promissory notes, securities for money, stamps, negotiable documents, cash, currency or bank notes, jewellery, precious stones and the like.

### Sub-Section B - Rent

Reasonable additional expenses necessarily incurred by the Insured in the event of any part of the Office Premises being so damaged or destroyed by any of the perils specified above as to be rendered untenable

Provided that:

- (a) the period for which the Office Premises shall be deemed untenable shall not exceed the time which would be required by a competent builder to put the Office Premises into a tenable condition and shall in no case exceed 12 (twelve) months
- (b) the liability of the Company under this Sub-Section shall be limited to 20% (twenty percent) of the total sum insured as stated in the Schedule.

For the purpose of this Sub-Section, the term "Office Premises" shall be deemed to extend to any premises or portion thereof in the vicinity of the Office Premises, damage to which prevents or limits access to the Office Premises.

### Sub-Section C - Documents

The Company shall pay up to the amount of R2 000 (two thousand rand) all costs, charges and expenses incurred by the Insured in replacing or restoring any Documents (as hereinafter defined) the property of the Insured or in his custody or control in consequence of such documents having been destroyed, damaged, lost or mislaid

Provided that:

- (a) the Insured shall cause diligent search to be made for the Documents
- (b) the Company shall not be liable hereunder for any loss or liability brought about or contributed to by the dishonesty of any of the Insured's principals, partners, directors or employees
- (c) the Company shall not be liable for claims resulting from electrical or magnetic injury or damage, disturbance or erasure of electronic or magnetic recordings except by lightning in which case the lightning loss or indemnifiable amount will be reduced by the greater of 10% (ten percent) of such amount or R1 000 (one thousand rand)
- (d) the Company shall not be liable for loss or damage caused by vermin or inherent defect or by processing, copying or other work upon the documents
- (e) the Company shall not be liable for loss or damage caused by gradual deterioration or wear and tear
- (f) the liability of the Company under this Sub-Section in respect of Documents shall be limited to the value of the stationery materials together with the cost of clerical labour expended in writing up and not for the value to the Insured of the information contained therein.



### Sub-Section D - Increase in Cost of Working

Any additional expenditure not otherwise provided for in this Section reasonably incurred by the Insured for the purposes of maintaining the normal operation of the business in consequence of loss or damage in respect of which payment, reinstatement or repair has been made or liability therefore admitted by the Company under Sub-Sections A or C.

The indemnity under this Sub-Section shall not exceed 25% (twenty five percent) of the sum insured on all contents of the Office Premises affected.

### Specific Conditions And Extensions

#### 1. Contents Away From Offices

This Section extends to include:

loss of or damage to the office contents as specified above but excluding property belonging to any principal, partner, director or employee of the Insured as a result of

- (a) any of the insured perils whilst
  - (i) temporarily contained in any private residence, hotel, inn, boarding house or club in which the Insured or his principals, partners, directors or employees may be residing
- or
- (ii) deposited for safe custody in any bank or safe deposit.

#### 2. Tenants Liability

All sums which the Insured shall become legally liable to pay to the landlord of the Office Premises arising from loss or damage by any of the perils specified above to such portion or portions of the said Office Premises (including fixtures and fittings the property of the landlord therein) as may be occupied by the Insured as tenant including all costs and expenses of litigation arising therefrom incurred by the Insured with the written consent of the Company

Provided that:

the liability of the Company under this Extension shall be limited to R1 000 000 (one million rand) in respect of any term of insurance.

#### 3. Underinsurance

Not applicable to:

- (a) Peril 8 of Sub-Section A - Contents
- (b) Optional Extension - Theft (if insured on a first loss basis)

If the property hereby insured at the time of any loss be collectively of a greater value than the sum insured thereon then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, of this Section shall be separately subject to this Condition.

#### 4. Workmen

Contractors may be working in or on any of the within described buildings without prejudice to this Section.

#### 5. Fire Extinguishing Charges

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.

#### 6. Security Costs

The Company will indemnify the Insured in respect of the reasonable costs of security incurred out of necessity until the replacement or repair following loss or damage to property insured under this Section has been completed.

#### 7. Compulsory First Amount Payable

The Company shall not be liable for the first 10% (ten percent) of each and every claim

Provided that:

the Insured shall be liable for an amount of at least

- (a) R250 (two hundred and fifty rand) of each and every claim (excluding claims for loss of or damage due to lightning strike(s) or burglary as a result of violent entry or exit)
- (b) R1 000 (one thousand rand) of each and every claim due to lightning strike(s) or burglary as a result of violent entry or exit
- (c) 10% (ten percent) of the loss with a minimum of R1 000 (one thousand rand) in respect of each and every claim as a result of theft not accompanied by violent and forcible entry to or exit from the premises or the amount stated in the Schedule whichever is the higher.

#### 8. Malicious Damage

Subject otherwise to the terms, conditions, exceptions and warranties contained therein Sub-Sections A, B and C are extended to cover loss or 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
  - (a) stolen
  - (b) 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
  - (a) the removal or partial removal or any attempt thereof;
  - (b) the demolition or partial demolition or any attempt thereof;

the said immovable property or any part thereof with the intention of stealing any part thereof

Provided that this Extension does not cover:

- (a) loss or damage related to or caused by fire or explosion;
- (b) consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A)(i), (ii), (iii), (iv), (v), (vi) or (vii) 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 proviso (a), (b), (c), (d) or (e) loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

If any building insured or containing the insured property becomes unoccupied for 30 (thirty) consecutive days, the insurance in respect of this extension is suspended as regards the property affected unless the Insured, before the occurrence of any damage, obtains the written agreement of the Company to continue this Extension.

During the period of the initial unoccupancy of 30 (thirty) consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% (twenty percent) of the claim before deduction of any First Amount Payable.

#### 9. Lightning Conductors

It is a condition to which liability of the Company under this Section is subject that all buildings with grass, straw or thatched roofs be supplied with, and properly fitted with a SABS-approved lightning conductor or lightning conductor of a similar standard or more superior which is installed with the exclusive purpose of conducting lightning away from the said building.

#### 10. Riot and Strike (If stated in the Schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, Sub-Sections A, B and C of this Section are extended to cover damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above:

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 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 proviso (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

#### 11. Loss of Locks and Keys

This Section is extended to indemnify the Insured in respect of the cost of replacing locks and keys including the remote and/or alarm controller and, if necessary, the reprogramming of such coded alarm system of the insured property following upon loss of or damage to the lock or key, remote or alarm controller or upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key, remote or alarm controller.

This Section also covers the reasonable expenses incurred in an emergency to call in a locksmith as a result of the loss of such keys, remote and/or alarm controller

Provided that:

- (i) the liability of the Company in respect of any one loss shall not exceed R2 000 (two thousand rand)



- (ii) the Company shall not be liable for the first R200 (two hundred rand) in respect of each and every event;

## 12. Capital Additions

The insurance under this Section covers alterations, additions and improvements (but not appreciated in value in excess of the sums insured) to the property for an amount not exceeding 20% (twenty percent) of the sum insured thereon, it being understood that the Insured undertake to advise the Company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

## 13. New and Additional Premises

If the Insured occupies offices or consulting rooms other than those situated as stated in the schedule in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, the insurance by this Section shall apply as though such offices or consulting rooms were Office Premises within the meaning of this Section

Provided that:

- (i) the Insured shall, within a reasonable time of taking occupation, advise the Company thereof and pay additional premium calculated pro rata from the time of taking occupation until the end of the then current period of insurance;
- (ii) this Specific Condition shall not apply to any loss if and so far as the same is otherwise insured.

## 14. Removal of Debris

The insurance under this Section is extended to include such reasonable costs and expenses as may be necessarily incurred by the Insured in respect of the removal of debris following loss of or damage to the insured property by any peril hereby insured against provided that the liability of the Company for such loss or damage and costs and expenses shall not exceed in the aggregate the sum expressed in the Schedule to be insured 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.

## 15. Burglary as a Result of Violent Entry or Exit

The following Peril 9 is added to the Perils applicable to Sub-Section A - Contents.

9. Burglary accompanied by forcible and violent entry to or exit from the offices or any attempt thereat or due to theft (or attempt thereat) following upon violence or threat of violence

Provided that:

- (i) the Company shall not be liable in respect of this Extension for theft or attempted theft by any principal, partner in or of, or director or employee of the Insured;
- (ii) the amount payable shall be reduced by the Compulsory First Amount Payable stated in Specific Condition 7(b) of this Section.
- (iii) the Company shall not be liable in respect of personal effects being the property of the Insured or any principal, partner, director or employee of the Insured exceeding R2 500 (two thousand five hundred rand) in respect of any one individual.

## 16. Theft (If stated in the Schedule to be included)

The following Peril 10 is added to the Perils applicable to Sub-Section A - Contents

10. Theft or any attempt thereat except by a principal, partner in or of, or director or employee of the Insured

Provided that:

- (i) the amount payable shall be reduced by the Compulsory First Amount Payable stated in Specific Condition 7(c) of this Section;
- (ii) the maximum amount payable shall not exceed the sum insured stated in the Schedule for this Extension, less the Compulsory First Amount Payable;
- (iii) the Company shall not be liable in respect of personal effects being the property of the Insured or any principal, partner, director or employee of the Insured exceeding R2 500 (two thousand five hundred rand) in respect of any one individual.

## Definitions

### 1. Documents

Documents means films, tapes, addressograph plates, drawings, abstracts, mortgages, manuscripts, deeds, wills, agreements, maps, plans, records, written or printed books, letters, certificates or written or printed documents or forms of any nature (excluding any bearer bonds or coupons, stamps of any kind, securities, cheques, any written evidence of indebtedness or obligation, computer software and computer data carrying media, bank or currency notes or other negotiable paper) the property of or entrusted to the Insured which are actually in his possession or which are believed to be in his possession or in the hands of any other party to whom such documents have been entrusted by the Insured in the ordinary course of business.





## 2. Electronic Data Processing Equipment

Electronic Data Processing Equipment as mentioned under Defined Events of this Section is limited to computers and all related hardware, peripherals and computer software and the information or data stored therein or thereon.

### Endorsements Applicable If So Stated In The Schedule

#### 1. Burglar Alarm

In respect of any premise stated in the schedule, a burglar alarm shall be installed and it is a condition precedent to the liability of the Insurers and warranted that

- (a) the burglar alarm installed at the premises shall be made fully operative however the protected building (s) is/are not open for business unless a principal, partner, director or employee of the insured is in the protected building (s)
- (b) Loss of or DAMAGE to the property following the use of the keys, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the insured unless such keys, keypad code or remote control have been obtained by violence or threat of violence to any person or such keys, keypad code or remote control was obtained by theft or burglary.
- (c) Unless specifically stated to the contrary, all buildings on the premises are to be protected by the alarm.

and it is further warranted that:

**(a) Where the installed alarm is an approved and certified burglar alarm**

The Insurers will be entitled to request full information of the relevant arming and disarming log after the occurrence of a claim.  
or

**(b) Where the installed alarm is not an approved and certified burglar alarm**

- (i) the said alarm is to be a dual monitoring alarm where available (for the purposes of this requirement, dual monitoring shall mean that once the alarm is triggered a signal will be transmitted by two different methods to the control room of the company monitoring the alarm)
- (ii) If the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available
- (iii) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and after the occurrence of a claim, the insurers will be entitled to request full information of the relevant log.
- (iv) such alarm will be maintained in proper working order but the insured shall be deemed to have discharged their liability of they have maintained their obligations under a maintenance contract with the installation/ service company of the alarm system.

#### 2. Protections

The Insured shall continue to use and maintain in efficient condition all protections represented, agreed or implied as being in use at the premises to prevent, hinder or detect entry or exit by thieves.

To the extent that any of these protections are defective at the time of any loss the Company shall not be liable under this Section unless the Insured shall prove that such defects;

- (a) could not reasonably have been detected by the Insured or were detected but could not reasonably have been rectified before the loss occurred and that adequate alternative protection had been instituted and the Company notified as soon as possible;
- (b) did not in any way contribute to the ability of the thieves to enter, remain in or escape from the premises or any section thereof or reduce the possibility of them being discovered.

#### 3. Watchman

It is a condition precedent to all liability of the Company and so warranted that at the commencement of this insurance a watchman shall be employed for the protection of the premises at all times when the same are closed for business.



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## MACHINERY BREAKDOWN

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### Defined Events

Any unforeseen and sudden physical damage to the machinery described in the Schedule from any cause whilst it is

- (a) at work or at rest
- (b) being dismantled for the purpose of cleaning, inspection and overhaul or removal to another position or in the course of these operations themselves or subsequent re-erection within the Insured's premises.

### Basis of Indemnity

- (a) If the damage can be repaired the Company will pay the cost of restoration to working order based on the customary daily rates of wages in the district and normal freight erection and custom dues.
- (b) If the insured item is totally destroyed the Company will pay the market value of the item immediately before the accident and the cost of removing the damaged machinery less the value of the remains. The insured item shall be regarded as totally destroyed if the repair costs as defined in 1 above equal or exceed its market value immediately before the accident.
- (c) The Company may at its option repair reinstate or replace any damaged machinery or pay the amount of the damage in cash.

### Specific Exceptions

#### 1. Irrespective of the original cause the Company will not pay for

- (a) First Amount Payable the amount specified in the Schedule as the First Amount Payable for each and every occurrence
- (b) Damage due to
  - (i) Fire lightning explosion:  
fire extinguishing of a fire direct lightning strikes explosion
  - (ii) Theft collapse of buildings impact by animals vehicles aircraft other aerial devices or objects dropped therefrom sonic shock waves.
  - (iii) Water which escapes from water containing apparatus including leakage or discharge from any sprinkler or drencher system
  - (iv) Subsidence and landslide subsidence landslide storm flood inundation hail snow earthquake volcanic eruption or other convulsions of nature or any subsequent dismantling
- (c) Experiments  
damage resulting from experiments overloads or tests requiring the imposition of abnormal conditions
- (d) Tools  
damage due to the misapplication of tools
- (e) Wastage wearing away  
wastage of material or the like or wearing away or wearing out of any part of the machinery caused by or naturally resulting from ordinary usage or working or other gradual deterioration
- (f) Expendable parts  
expendable parts and tools such as (but not limited to) bits cutters knives saw blades dies pattern rollers sieves chains belts ropes conveyor bands jointing and packing material. If these parts or tools are damaged as a result of an accident to other parts of the machinery insured as provided for by this insurance the Company shall indemnify the Insured for the residual value of such parts or tools
- (g) Express delivery overtime  
extra charges for express delivery overtime Sunday and holiday rates of wages unless specially provided for herein
- (h) Damaged parts  
the value of damaged parts which can be used in any way whatsoever
- (i) Alterations additions  
costs of alterations additions improvements and overhauls carried out on the occasion of a repair
- (j) Temporary repairs  
temporary repairs and any consequences arising therefrom unless the Company has authorised the temporary repairs

#### 2. Foundations masonry refractories

the machinery described in the Schedule does not include any foundations masonry or refractories unless specifically mentioned

#### 3. Partial damage

where damage is restricted to a part or parts of an insured item the Company will not be liable to pay a greater amount than the value of the part or parts allowed for in the sum insured plus dismantling re-erection and freight expenses.



## Specific Conditions

### 1. Alterations to working conditions

Notice of any intended alteration to or departure from normal working conditions which would affect the risk of damage to the machinery specified in the Schedule must be given to the Company. If the Company cannot approve the alteration or departure from normal working conditions the Company may cancel the insurance in respect of the machinery concerned making an appropriate return of premium.

### 2. Access

The Insured shall allow the authorised representatives of the Company to examine the insured machinery at any reasonable time. If during the inspection any new facts of a nature likely to render the risk more than usually hazardous are observed the Insured must at the request of the Company restore the risk to normal within a reasonable time failing which the Company may suspend cover in whole or in part until the risk is restored to normal.

### 3. Claims

On the happening of an event giving rise or likely to give rise to a claim the Insured

- (a) shall exercise all means in his power to salvage the insured items and ensure their preservation
- (b) may proceed with the repair of the machinery

Provided that:

- (i) he complies with 3(a) above
- (ii) the carrying out of the repair is without prejudice to any question of liability
- (iii) any damaged part requiring replacement is kept for inspection by the Company.

### 4. Insured value

The sum insured for each item of machinery specified in the Schedule must be equal to the installed new replacement value at all times.

### 5. Average

If at the time of the damage the sum insured is lower than the installed new replacement value then the Insured will be considered to be his/her own insurer for the difference and will bear a rateable share of the loss accordingly. Every item of machinery will be separately subject to this Condition.



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## MOTOR AND TRAILERS

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### Sub-Section A - Loss Or Damage

#### Defined Events

Loss of or damage to any vehicle described in the Schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the Company will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the prior consent of the Company to the extent of but not exceeding R3 000 (three thousand rand) over and above the amount of the First Amount Payable for which the Insured is responsible under this Sub-Section provided that a detailed estimate is first obtained and immediately forwarded to the Company. The Company will also pay the reasonable cost of delivery to the Insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe or Malawi.

The Company will indemnify the Insured in respect of the cost of replacing any window glass, headlamp glass and taillight glass, headlamp units and taillight units forming part of the vehicle as a result of incidents which do not cause other damage to the vehicle after deduction of that portion of the First Amount Payable for which the Insured is responsible in terms of this Section, in respect of window glass, headlamp glass and taillight glass, headlamp units and taillight units

Provided that:

1. the limit of indemnity for each type of vehicle is as stated in the Schedule and shall be the maximum amount payable by the Company in respect of such loss or damage, but shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such loss or damage. Furthermore in the event of any part accessory or fitment needed to replace damage to the vehicle being unprocurable in the Republic of South Africa, Namibia and Botswana as a standard (ready manufactured) article, the liability of the Company shall be met by the payment of a sum equalling the value of such part accessory or equipment at the time of the accident but not in any case exceeding the manufacturer's latest list price as well as import cost for such part, accessory or fitment
2. the Company may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the reasonable market value of such vehicle and/or its accessories and/or spare parts at the time of such loss or damage
3. if, to the knowledge of the Company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of such loss or damage
4. in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion or following upon theft or attempted theft of motor radios as stated in 5(i) and 5(iii) below) under this Sub-Section, the Insured shall be responsible for the First Amount Payable stated in the Schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this Sub-Section (including any payment in respect of costs, expenses and fees), and of any expenditure by the Company in the exercise of any discretion it may have under this insurance.

If the expenditure incurred by the Company shall include any First Amount Payable for which the Insured is responsible, such amount shall be paid by the Insured to the Company forthwith

5. the company shall not be liable for more than the amount stated in the schedule (after deduction of the first amount(-s) payable in respect of the theft or attempted theft of motor radios, cassette players and any other similar or telephones not supplied by the manufacturers of the vehicle when new.

#### Exceptions To Sub-Section A

The Company shall not be liable to pay for;

- (a) consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages
- (b) damage to tyres and rims by application of brakes or by road punctures, cuts, bursts or cracks caused by obstacles and/or the inequalities of road surfaces or impact with such obstacles and/or inequalities of the road surfaces
- (c) damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities
- (d) more than 5% of the limit of indemnity of the vehicle listed in the schedule less the first amount payable for any type of radio or other type of sound reproduction equipment other than radio and sound equipment installed by the manufacturer when new. If a radio or sound equipment is specified in the schedule the value shown will be the maximum payable



## Sub-Section B – Liability To Third Parties

### Defined Events

Any accident caused by or through or in connection with any vehicle described in the Schedule or in connection with the loading and/or unloading of such vehicle in respect of which the Insured and/or any passenger becomes legally liable to pay all sums including claimant's costs and expenses in respect of;

- (i) death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the Insured arising from and in the course of such employment or being a member of the same household as the Insured
- (ii) damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from such vehicle.

The Company will also, in terms of and subject to the limitations of and for the purposes of this Sub-Section;

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this Sub-Section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this Sub-section, provided that the total of the Company's liability under both this Extension and Sub-Section B shall not exceed the limit of indemnity stated to apply to Sub-Section B
2. indemnify any person who is driving or using such vehicle on the Insured's order or with the Insured's permission  
Provided that:
  - (a) such person shall, as though he/she were the Insured, observe, fulfil and be subject to the Terms, Exceptions and Conditions of this insurance in so far as they can apply
  - (b) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer
  - (c) indemnity shall not apply in respect of claims made by any member of the same household as such person
  - (d) such person is not entitled to indemnity under any other Policy except in respect of any amount not recoverable thereunder
3. indemnify the Insured or any member of the Insured's household who normally resides with the Insured and who is dependent on the Insured while personally driving or using any private type motor car, light delivery vehicle (LDV) or panel van not belonging to him/her and not leased or hired to him/her under a lease or suspensive sale agreement provided the Insured is an individual and has insured hereunder a vehicle described under Definition (a) or (b) and provided the Company shall not be liable for damage to the vehicle being driven or used
4. indemnify the Insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided the Company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon

### Specific Exceptions To Sub-Section B

The Company shall not be liable under this Sub-Section in respect of;

- (a) so much of any compensation or claim as falls within the scope of any Compulsory Motor Vehicle Insurance Enactment. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected
- (b) death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in Definition (b), (c), (d), (e), (f) or (g) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of (b) and (g) as defined)
- (c) liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.

### Limits of Indemnity

Unless otherwise stated, the liability of the Company under this Sub-Section in respect of any one occurrence shall not exceed the limits of indemnity as stated in the Schedule

Provided that:

the limits of indemnity in terms of this Sub-Section as stated in the Schedule is amended to read as follows:

- (a) R1 000 000
- (b) R2 500 000
- (c) R2 500 000

This revised condition is only applicable to the driver of a vehicle with a valid driver's license for a period of validity of 5 (five) years or less.

## Sub-Section C – Medical Expenses

### Defined Events

If an occupant in the specified part of a vehicle described below, in direct connection with such vehicle, sustains bodily injury by violent accidental, external and visible means, the Company will pay to the Insured the medical expenses incurred as a result of such injury up



to R3 000 (three thousand rand) per injured occupant but not exceeding R20 000 (twenty thousand rand) in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

The amount payable under this Sub-Section shall be reduced by any amount recoverable under any Workmen's Compensation Enactment or similar legislation.

The term Medical Expenses includes any costs incurred to free such injured occupant from such vehicle or to bring such injured occupant to a place where medical treatment can be given.

Defined vehicle but only if it is insured under Sub-Section A of this Section	Specified part of vehicle in which the injury must occur
1. Any private type motor car or motorised caravan including vehicles specifically adapted or designed for the purpose of accommodating commercial hunters and game viewing activities and registered in terms of and in compliance with the licensing laws	Anywhere inside and/or on the vehicle
2. Any other type of insured vehicle other than a bus or taxi	The permanently enclosed passenger carrying compartment

## Definitions

### 1. Occurrence

The term occurrence shall mean an occurrence or series of occurrences arising from one cause in connection with any one vehicle in respect of which indemnity is provided by this insurance.

### 2. Vehicle

The term vehicle shall mean;

- (a) private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 9 (nine) persons including the driver)
- (b) commercial and light delivery vehicles (LDV's) or panel vans with a carrying capacity not exceeding 2 000 kilograms, vehicles specifically adapted or designed for the purpose of accommodating commercial hunters and game viewing activities, motorised caravans including all permanent fixtures, fittings, equipment, utensils, mattresses (not exceeding the number prescribed by the manufacturer's standard specifications) and side tents and motor cycles as defined in terms of (c) below
- (c) motor cycles, self-propelled tricars, scooters and four wheel motor cycles
- (d) buses designed to seat more than 9 (nine) persons, including the driver
- (e) trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a motorised vehicle, motorised lawnmowers and motorised golf carts but excluding any parts or accessories not permanently fitted thereto, non-motorised caravans and pick-a-back caravans including all permanent fixtures, fittings, equipment, utensils, mattresses (not exceeding the number prescribed by the manufacturer's standard specifications) and side tents of such non-motorised caravans and pick-a-back caravans
- (f) special type vehicles as described in the Schedule (excluding irrigation systems on wheels and centre pivots)
- (g) agricultural implements (excluding irrigation systems on wheels and centre pivots)

any such vehicle being owned by or hired or leased to the Insured, including any such vehicle temporarily operated by the Insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the Company's maximum liability shall not exceed the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the Schedule.

### 3. No Claim Groups and No Claim Discount provisions on specified vehicle basis (Not applicable if Optional Limitations 1, 2 and 3 are applicable)

- (a) Claim Free Groups 1 to 9 applicable to private type motor cars, light delivery vehicles (LDV's) or panel vans as defined in Definitions (a) and (b) only in respect of light delivery vehicles (LDV's) or panel vans
- (b) Claim Free Groups 1 to 6 applicable to motorcycles and four wheel motor cycles as defined under Definition (c)
- (c) no Claim Discount 1 to 4 applicable to commercial vehicles (excluding light delivery vehicles (LDV's) or panel vans, motor cycles and four wheel motor cycles), buses, trailers and special type vehicles as defined under Definition (b) (excluding light delivery vehicles (LDV's) or panel vans), (c), (d), (e) and (f).

In the event of no claim arising under this Section during a Period of Insurance (or Term of Insurance in the case of a Monthly Policy) specified below immediately preceding the renewal of this Section, the Renewal Premium (or Renewal Premiums for the Term of Insurance in the case of a Monthly Policy) for that vehicle will be calculated in accordance with the Claim Free Group/No Claim Discount scale stated below:



(i) Term of Insurance	Claim Free Group	
	Definition (a) and (b)	Definition (c)
less than one year	0	0
the preceding year	1	1
the preceding two consecutive years	2	2
the preceding three consecutive years	3	3
the preceding four consecutive years	4	4
the preceding five consecutive years	5	5
the preceding six consecutive years	6	6
the preceding seven consecutive years	7	-
the preceding eight consecutive years	8	-
the preceding nine or more consecutive years	9	-

However should a claim arise in respect of private type motor cars and light delivery vehicles (LDV's) or panel vans stated above during any Period of Insurance (or Term of Insurance in the case of a Monthly Policy) when Claim Free Groups 3, 4, 5, 6, 7, 8 or 9 applies, the Renewal Premium for the subsequent Period of Insurance (or Renewal Premiums for the subsequent Term of Insurance in the case of a Monthly Policy) will be calculated on Claim Free Group 1, 2, 3, 4, 5, 6, or 7 respectively

However, should a claim arise in respect of motor cycles or four wheel motor cycles during any Period of Insurance (or Term of Insurance in the case of a Monthly Policy) when a Claim Free Group 3, 4, 5 or 6 applies, the Renewal Premium for the subsequent Period of Insurance (or Renewal Premiums for the subsequent Term of Insurance in the case of a Monthly Policy) will be calculated on Claim Free Groups 1, 2, 3 or 4 respectively.

(ii) Term of Insurance	No Claim Bonus
less than one year	0%
the preceding year	15%
the preceding two consecutive years	20%
the preceding three consecutive years	30%
the preceding four consecutive years	40%

However should a claim arise in respect of a vehicle stated above during any Period of Insurance (or Term of Insurance in the case of a Monthly Policy) when No Claim Discounts of 30% (thirty percent) or 40% (forty percent) applies, the Renewal Premium for the subsequent Period of Insurance (or Renewal Premiums for the subsequent Term of Insurance in the case of a Monthly Policy) will be calculated on No Claim Discount 15% (fifteen percent) or 20% (twenty percent), respectively.

If more than one vehicle is described in the Schedule the Claim Free Group/No Claim Discount shall be applied as if a separate Policy had been issued in respect of each vehicle.

The Claim Free Group/No Claim Discount shall not be affected by any claim in respect of:

- (a) any window glass, headlamp glass, taillight glass, headlamp glass, headlamp units and taillight units;
- (b) Extension 6                      Loss of Keys,
- (c) Extension 11                    Removal and protection costs following mechanical breakdown,
- (d) Extension 12                    Emergency Accommodation,
- (e) Extension 13                    Trauma Treatment or
- (f) Extension 23                    Funeral Benefit.

Unless the Company consent to a transfer of interest in this Policy the Claim Free Group/ No Claim Discount is not transferable.

## Extensions

### 1. Contingent Liability

The indemnity under Sub-Section B includes claims made against;

- (a) the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the Insured, while being used by any partner or director or employee of the Insured (hereinafter in this Extension referred to as such person)
- (b) any such person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to him/her or to the Insured or leased or hired by either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any insurer

Provided that:

- (i) all the words in (b) of the Exceptions to Sub-Sections B are deleted



- (ii) the Company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above
- (iii) the payment by the Insured of subsidies or travelling allowances to such person for the use of his/her own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this Extension
- (iv) if, at the time of the occurrence of any accident giving rise to a claim under this Extension, the Insured or such person is entitled to indemnity under any other Policy in respect of the same occurrence, the Company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other Policy
- (v) the Terms, Exceptions and Conditions of the Policy shall otherwise apply.

## 2. Passenger Liability (Excluding Commercial Hunting And/or Game Viewing Activities)

Exception (b) to Sub-Section B shall not apply to vehicles described in Definitions (b), (c), (e), (f) or (g)

Provided that:

- (i) cover under this Extension will be limited to death of or bodily injury to any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of (b), (f) or (g) as defined and/or
- (ii) being carried in or upon or entering or getting onto or alighting from any vehicle insured in terms of this Section and described in Definition 2(b) and 2(e) but excluding non-motorised caravans and pick-a-back caravans as defined in Definition 2(e)

Provided further that:

The vehicles referred to in terms of 2(H) above are fitted with railings on all sides of the loading area.

The limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

## 3. Unauthorised Passenger Liability

The indemnity under Sub-Section B, notwithstanding Exception (b) thereto, extends to cover the Insured's legal liability for death of or bodily injury to persons while being carried in or upon or entering or getting onto or alighting from any vehicle in contravention of the Insured's instructions to their driver not to carry passengers. The limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

## 4. Parking Facilities and Movement of Third Party Vehicles

This Section extends to indemnify the Insured in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or borrowed by or hired or leased to the Insured) by any person in the employment of the Insured or acting on the Insured's behalf, provided always that such vehicle was being moved

- (a) with the authority of any tenant, customer or visitor of the Insured, or
- (b) in connection with the Insured's parking arrangements, or
- (c) to facilitate the carrying out of the Insured's business

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

For the purpose of this Extension, such vehicle (and its contents) shall not be deemed to be held in trust by, or in the custody or control of, the Insured.

## 5. Riot and Strike (If stated in the Schedule to be included)

In consideration of the payment of an additional premium and subject otherwise to the terms and conditions, exclusions, exceptions and warranties contained therein, this Section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 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 (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.





## 6. Loss of Keys and Locks

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

Provided that:

- (i) the Company's liability shall not exceed R2 000 (two thousand rand) in respect of any one event
- (ii) the Company shall not be liable for the first R200 (two hundred rand) in respect of each and every claim.

The provisions of this Section relating to First Amount Payable and No Claim Rebate shall not apply to this Extension.

## 7. Fire Extinguishing Charges

Any costs (not exceeding R5 000 (five thousand rand)) 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 insured property was in danger from the fire.

## 8. Wreckage Removal

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a Defined Event, provided that, in addition to the limit of indemnity under Sub-Section A of this Section, the limit of the Company's liability under this Extension shall not exceed, in respect of any one occurrence, the amount of R2 000 (two thousand rand) or the limit stated in the Schedule whichever is the greater.

## 9. Credit Shortfall

If any total loss settlement under Sub-Section A is less than the amount owing to the financier under a current instalment sale or lease agreement the Company will pay to the Insured an additional amount equal to the shortfall less:

- (a) any arrears instalments or rentals including interest payable on such arrears
- (b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle
- (c) the increased instalments or rental that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled
- (d) the First Amount Payable under Sub-Section A

Provided that:

- (i) the amounts payable shall not exceed the maximum indemnity less the First Amount Payable under Sub-Section A
- (ii) this Extension shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% (ten percent) from any other instalment
- (iii) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this Extension shall be void.

## 10. Replacement of Insured Motor Vehicles (Private type motor cars and light delivery vehicles (LDV's) only)

In the case of private type motor cars and light delivery vehicles (LDV's) the Company shall instead of a monetary payment and subject to the consent of the Insured and/or of any other interested party known to the Company replace the said motor vehicle with a new motor vehicle of the same type and model (subject to the availability thereof) if within 12 (twelve) months after the first registration of the vehicle and subject to it not having been driven for more than 30 000 (thirty thousand) kilometres;

- (a) the loss of the vehicle is as a result of theft and if the said vehicle cannot be traced within a reasonable period after the theft thereof has been reported to the Company
- or
- (b) damage to the extent that the cost of repairs exceeds 70% (seventy percent) of its list price plus taxes when new the basis of indemnity will be the current cost of a new motor car of the same or similar model subject to a limit of 120% (one hundred and twenty percent) of the Maximum Indemnity (less the First Amount Payable)

Provided that:

- (i) in the event of a vehicle being replaced under the circumstances as described above, then the Company shall be entitled to the possession and ownership of the lost or damaged vehicle
- (ii) the amount payable shall be limited to the amount stated in the Schedule.

## 11. Removal and Protection Costs Following Mechanical Breakdown (Applicable to private motor vehicles and light delivery vehicles only)

The Company will pay the costs of removal and protection in the event of mechanical or electrical breakdown of the vehicle up to an amount of R1 000 (one thousand rand).

This cover is limited to one occurrence in any 12 (twelve) consecutive months of insurance.



#### 12. Emergency Accommodation (Applicable to private motor vehicles and light delivery vehicles only)

Accommodation for the Insured and/or spouse as well as any passenger whom is travelling with the Insured in respect of an emergency due to loss or damage to the vehicle will be paid by the Company up to an amount of R250 (two hundred and fifty rand) per person but not exceeding R2 000 (two thousand rand) per occurrence.

This cover applies for one night only away from the Insured's residence if the journey cannot be completed due to loss of or damage to the insured vehicle. The loss or damage must be covered under this Section.

This cover does not include emergency accommodation cover in the event of mechanical or electrical breakdown of the vehicle.

#### 13. Trauma Treatment

In the event of medical expenses not otherwise covered the Company will pay an amount up to R3 000 (three thousand rand) per occurrence for trauma treatment by a psychologist if the Insured and/or spouse need treatment due to hijacking or attempt thereof of a comprehensively insured private motor vehicle or light delivery vehicle.

#### 14. Damage to Tyres (Tractors, Combines and Agricultural Implements)

The cover under this Section is extended to include total loss of and irreparable damage to the tyres of the items stated in the Schedule which are insured comprehensively as a result of damage caused by any unseen or concealed object whilst on the road or other surface Provided that:

- (a) the liability of the Company is limited to a maximum of R10 000 (ten thousand rand) per tyre unless the value per tyre which exceeds R10 000 (ten thousand rand) is stated in the Schedule
- (b) the Insured shall be responsible for the first 10% (ten percent) with a minimum of R200 (two hundred rand) of each and every claim
- (c) the Insured shall at his own expense have all damage and wear and tear assessed by one or more reputable retreaters to assess whether a tyre can be repaired or not and what the extent of wear and tear is.

The provisions of this Section relating to First Amount Payable and No Claim Rebate shall not apply to this Extension.

#### 15. Caravans Hired Out (If stated in the Schedule to be included)

The word "hiring" appearing in the paragraph under the heading "Description of Use" of this Section is cancelled if a caravan insured by this Section is hired out.

Sub-paragraph 1(c) of the Specific Exceptions applicable to all Sub-Sections is substituted by the following:

"1(c) incurred whilst a Motor Vehicle towing the caravan is being driven by;

- (i) the lessee while he/she is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the lessee exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle
- (ii) any other person with the general consent of the lessee who, to the lessee's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the lessee was unaware that the driver was unlicensed and the lessee can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles.

Provided that any driver shall deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under Specific Exceptions applicable to All Sub-Sections 1(b) or if non-compliance with any licensing law is solely because of failure to renew any license subject to periodic renewal, or if a license is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners".

#### 16. Combines, Grain Tables and Picker Heads

The Company shall indemnify the Insured in terms of Sub-Sections A and B in respect of grain tables and/or picker heads described in the Schedule whilst attached to the combine(s) mentioned in the Schedule or whilst detached therefrom provided that whilst detached from such combine(s) it is not attached to any other combine(s).

#### 17. Spare Wheel and Tools First Amount Payable Cancelled (If stated in the Schedule to be included)

In consideration of the payment of an additional premium the Insured shall not be liable for the "First Amount Payable" as stated in the Schedule as provided for in this Section in the event of loss of or damage to:

- (a) a spare wheel of a private type motor car (including station wagons, safari motor cars and minibuses)
- (b) tools being included as standard equipment by the manufacturer of a private type motor car (including station wagons, safari motor cars and minibuses)

Provided that:



this Extension shall not be applicable in respect of loss or disappearance of the above-mentioned property from an unattended vehicle unless such property is kept in the locked up passenger compartment or the locked up luggage compartment and access to such passenger or luggage compartment is obtained by visible, violent and forcible means.

**18. Hiring of Motor Vehicle (Private type motor cars and light delivery vehicles (LDV's) only) (If stated in the Schedule to be included)**

In consideration of the payment of an additional premium the Company agrees that in the event of

- (a) theft of the comprehensively insured motor vehicle stated in the Schedule
- or
- (b) damage to the comprehensively insured motor vehicle stated in the Schedule for which indemnity is provided by Sub-Section A to pay the car hire charges for the hire of a medium category motor car (that is not exceeding 2 000 cc engine capacity) on an unlimited distance basis but excluding the cost of fuel and lubricants

Provided that:

- (a) the order for the hire of a motor vehicle must first be placed through and authorised by the Company
- (b) the period of hire
  - (i) must commence not later than 30 (thirty) days following the date of theft or if the motor vehicle is not stolen from the date of the damage
  - (ii) must terminate on the day following
    - (a) the recovery of the stolen motor vehicle undamaged
    - or
    - (b) by the repossession of the motor vehicle by the Insured after repairs approved by the Company have been effected
    - or
    - (c) the purchase of a replacement motor vehicle
  - (iii) will not exceed 30 (thirty) days
- (c) the Company shall not be liable for any loss of or damage to any private type motor car and/or light delivery vehicle (LDV) which in terms of this Extension is hired by the Insured after loss or damage
- (d) the Company shall be entitled to any recovery from third parties or their insurers in respect of loss of use of the insured private motor car or light delivery vehicle (LDV).

**19. Liability to Passengers (Applicable to buses only) (If stated in the Schedule to be included)**

Subject to Specific Exception (a) of Sub-Section B and in consideration of the payment of an additional premium the reference to Definition (d) in Specific Exception (b) of Sub-Section B is cancelled and the Company will, notwithstanding anything contained herein to the contrary, indemnify the Insured in respect of liability to passengers

Provided that:

- (a) the liability of the Company in respect of this Extension shall not exceed the amount stated in the Schedule in respect of any one passenger and in respect of any one claim or series of claims arising out of one event
- (b) the cover provided by this Extension shall not apply to any person carried upon a trailer.

**20. Loss of Use of Vehicle (Tractors and/or Combines) (If stated in the Schedule to be included)**

In consideration of the payment of an additional premium the Company shall indemnify the Insured for the hire of a tractor and/or combine (with driver if necessary) upon proof of an account by the supplier or lessor, but not exceeding the number of days or the amount stated in the Schedule, resulting from the loss of use of a tractor and/or combine stated in the Schedule through or as a result of any peril insured against in this Section which would normally constitute a claim under this Section.

It is a condition precedent to the acceptance of liability that in the event of an occurrence which results in a claim under this Section the Company will be given 30 (thirty) days written notice calculated from the date of the accident.

The Company is entitled to any recovery from third parties or their insurers in respect of loss of use of the insured tractor and/or combine

Provided that:

the Company will not be liable for:

- (a) loss or damage resulting from freezing or mechanical breakdown
- (b) indemnity for loss of use for the first 72 (seventy two) hours immediately after the occurrence
- (c) the supply of a tractor and/or combine
- (d) any loss of or damage to any tractor and/or combine which in terms of this Extension is hired by the Insured after loss or damage.

**21. Loss of Use of Vehicle (Trucks and/or Mechanical Horses) (If stated in the Schedule to be included)**

In consideration of the payment of an additional premium the Company shall indemnify the Insured for the hire of a truck and/or mechanical horse similar to the truck and/or mechanical horse insured upon proof of an account by the supplier or lessor, but not exceeding 30 (thirty) days or the amount (maximum R500 (five hundred rand) per day) stated in the Schedule, resulting from the loss



of use of a truck and/or mechanical horse stated in the Schedule through or as a result of any peril insured against in this Section which would normally constitute a claim under this Section.

It is a condition precedent to the acceptance of liability that:

- (a) in the event of an occurrence which results in a claim under this Section the Company will be given 30 (thirty) days written notice calculated from the date of the accident
- (b) in the event of theft of the insured vehicle cover for loss of use will come into effect only if the vehicle is recovered, and then only for the time necessary for repairs
- (c) rental will not be payable for any period exceeding 30 (thirty) days.

The Company is entitled to any recovery from third parties or their insurers in respect of loss of use of the insured truck and/or mechanical horse

Provided that:

the Company will not be liable for:

- (a) loss or damage resulting from freezing or mechanical breakdown
- (b) indemnity for loss of use for the first 5 (five) days from the date on which a written quotation for the rental of the truck and/or mechanical horse is received by the Company
- (c) the supply of a truck and/or mechanical horse
- (d) any loss of or damage to any truck and/or mechanical horse which in terms of this Extension is hired by the Insured after loss or damage
- (e) the first 25% (twenty five percent) of the actual rental payable up to a maximum of R500 (five hundred rand) per day.

## 22. Passenger Liability - Employees (If stated in the Schedule to be included)

The Company shall indemnify the Insured in respect of Sub-Section B for the death of or bodily injury to an employee being carried in or upon or entering or getting onto or alighting from any vehicle insured in terms of this Section and described in Definition of Vehicles 2(b) and 2(e) but excluding non-motorised caravans and pick-a-back caravans as defined in Definition 2(e)

Provided that:

- (a) the occurrence took place outside the context of employment
- (b) all sides of the loading area of the vehicle are fitted with railings
- (c) the liability of the Company shall be limited to a maximum amount of R250 000 (two hundred and fifty thousand rand) or the limit of indemnity stated in the Schedule any one occurrence.

## 23. Funeral Benefit

In the event of an accident in respect of private type motorcars (as defined) and in the passenger carrying compartment of light delivery vehicles (LDV's) with a carrying capacity not exceeding 2 000 kg resulting in the Insured's and/or the Insured's spouses' death within 3 (three) months the Company will pay to the Insured's estate R3 000 (three thousand rand) as a contribution to funeral expenses.

## 24. Vehicle Sharing

The acceptance of payment for giving lifts to passengers in private type motorcars (as defined) and in the passenger carrying compartment of light delivery vehicles (LDV's) with a carrying capacity not exceeding 2 000 kg when it is part of a vehicle sharing agreement for social purposes or commuting, will not be regarded as excluded under the description of use conditions

Provided that:

- (a) the passengers are not being carried in the course of a passenger-carrying business
- (b) the total payments received for such journeys do not involve any element of profit.

## 25. Waiver of Basic Compulsory First Amount Payable (Private Type Motor Cars and Light Delivery Vehicles (LDV's) Only) (If stated in the Schedule to be included)

In consideration of the payment of an additional premium the Basic Compulsory First Amount Payable, (inclusive of window glass as defined), as stated in terms of points 1(a), 1(b) and 6(a) of the Schedule in respect of First Amounts Payable - Sub Section A - Loss or Damage is hereby cancelled

Provided that:

- (i) this Extension applies to the Insured and his/her spouse only
- (ii) this Extension is only applicable to motor vehicles as defined in terms of 2(a) Private Type Motor Vehicles and Light Delivery Vehicles (LDV's) or Panel Vans with a carrying capacity not exceeding 2 000kg as defined in 2.(b) under the heading Definitions of this Section.

## 26. Passenger Liability - Clients in respect of Commercial Hunting and/or Game Viewing Activities (If stated in the Schedule to be included)

Subject to Specific Exception (a) or Sub-Section B and in consideration of the payment of an additional premium reference to Definitions (b), (c), (e), (f) and (g) in Specific Exception (b) of Sub-Section B is cancelled and the Company will, notwithstanding anything contained herein to the contrary, indemnify the Insured in respect of liability to passengers

Provided that:



- (i) the liability of the Company in respect of this Extension shall not exceed the amount stated in the Schedule in respect of any one passenger and in respect of any one claim or series of claims arising out of one event being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of 2.(b) as defined and/or

- (ii) being carried in or upon or entering or getting onto or alighting from any vehicle insured in terms of this Section and described in Definition of Vehicles 2(b) and 2(e). The latter only in respect of trailers

Provided further that:

- (a) Any vehicle referred to in 26(ii) above (excluding vehicles specifically adapted or designed for the purpose of accommodating hunters and/or game viewers as defined in Definition 2(b)) are fitted with railings on all sides of the loading area.
- (b) The liability of the Company shall be limited to a maximum amount as stated in the Schedule any one passenger and any one occurrence.

## Memoranda

### 1. Premium Adjustment

- (a) Non-specified vehicles

If this Section is issued on a non-specified vehicle basis, the Insured shall submit to the Company at the end of each period of insurance a declaration of the total number of vehicles owned, hired or leased at such expiry date. The Company shall, upon receipt of this declaration, make a premium adjustment of 50% (fifty percent) of the annual rate per vehicle applied to the difference in the number of vehicles at inception or renewal and the number declared.

- (b) Specified vehicles

If a private type motorcar or light delivery vehicle (LDV) or panel van with a carrying capacity under 2 000 kg insured hereunder is disposed of and another motor vehicle substituted in place thereof during the currency of this Section no adjustment of premium shall be made

Provided that:

the insured values and extensions applicable to the vehicles concerned do not differ. If the values insured increase or decrease with the replacement and extensions added or deleted then the premium will be adjusted accordingly.

### 2. War

In respect of Sub-Section B and C only, General Exception 1 is deleted and replaced by the following:

“This Section does not cover war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny insurrection, rebellion, revolution, military or usurped power”.

### 3. Description of Use

#### Class 0

Motor vehicles used by farmers exclusively for

- (a) farming purposes and/or
- (b) social, domestic and pleasure purposes and/or
- (c) organised territorial watch groups for crime prevention.

#### Class 1

- (i) Private type motor vehicles, light delivery vehicles (LDV's), caravans, motorcycles, four wheel motorcycles and two wheel luggage trailers used by farmers
  - (a) engaged in other occupations for social, domestic and pleasure purposes and/or
  - (b) travelling to and from the Insured's work and used in connection with the Insured's business or occupation as stated in the Schedule and/or
  - (c) commercial hunting and/or game viewing activities and/or
  - (d) organised territorial watch groups for crime prevention.
- (ii) Private type motor vehicles, light delivery vehicles (LDV's), caravans, motorcycles, four wheel motorcycles and two wheel luggage trailers used by individuals engaged in other professions for social, domestic and pleasure purposes and/or travelling to and from the Insured's work.

The indemnity to the Insured in connection with any vehicle shall be operative whilst such vehicle is in the custody or control of a member of the motor trade for the purpose of overhaul, upkeep or repair

Excluding:

hiring, carriage of passengers for hire or carriage of fare paying passengers (excluding commercial hunting and/or game viewing activities), racing, speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade.

### 4. Offences

If, during the currency of this Section, any driver's licence in favour of the Insured or his/her authorised driver be endorsed, suspended or cancelled or if he/she or they shall be charged or convicted of negligent, reckless or improper driving or driving under the influence of drugs, narcotics, anaesthetics or intoxicating liquor or contravention of the statutory percentage limit for blood alcohol, notification shall be sent in writing to the Company immediately the Insured has knowledge of such fact.



## 5. Maintenance of Motor Vehicle

The Insured or anyone acting on behalf of the Insured and/or any person driving the vehicle with the knowledge and consent of the Insured or anyone acting on behalf of the Insured shall take all reasonable steps to safeguard any motor vehicle described in the Schedule from loss or damage and to maintain it in an efficient condition

Provided that:

the Company shall at all times have free access to examine such motor vehicle. In the event of any accident or breakdown such motor vehicle shall not be left unattended without proper precaution being taken to prevent further damage or loss and if such motor vehicle be driven before the necessary repairs are effected any increase of the damage or further damage to such motor vehicle shall be entirely at the Insured's own risk.

## 6. Waiver of Subrogation Rights

For the purposes of this Section, the Company waives all rights of subrogation or action which they may have or acquire against any other person to whom the indemnity hereunder applies, and each such person shall observe, fulfil and be subject to the Terms, Exceptions and Conditions (both General and Specific) of this insurance in so far as they can apply.

## 7. Principals

Notwithstanding Specific Exception 2 of this Section, the indemnity under Sub-Section B extends to indemnify, to the extent required by the conditions of any contract of the Building Industries Federation of South Africa, and in connection with any liability arising from the performance of such contract, any principal named in such contract entered into by the Insured for the purposes of the business, provided that the liability of the Company shall not exceed the limit of indemnity stated in the Schedule.

## 8. Cross Liabilities

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 Insured shall be treated as though separate Policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the limit of indemnity stated in the Schedule.

## Optional Limitations

1. **Third Party Only Limitation (If stated in the Schedule to be applicable)**  
Sub-Sections A and C and the No-Claim Rebate provisions are cancelled.
2. **Third Party and Fire Insurance Only (If stated in the Schedule to be applicable)**  
The liability of the Company under Sub-Section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion. Further, Sub-Section C and the No Claim Rebate provisions are cancelled.
3. **Third Party, Fire and Theft Only (If stated in the Schedule to be applicable)**  
The liability of the Company under Sub-Section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat. Further, Subsection C and the No Claim Rebate provisions are cancelled.

## Specific Exceptions Applicable To All Sub-Sections

1. The Company shall not be liable for any accident, injury, loss, damage or liability:
  - (a) whilst the vehicle is being used with the general knowledge and consent of the Insured otherwise than in accordance with the "Description of Use" clause
  - (b) incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique. The latter only in respect of private type motorcars (as defined), light delivery vehicles (LDV's) with a carrying capacity not exceeding 2000 kg, motorcycles, caravans and luggage type trailers. The Company will also indemnify the Insured against loss of or damage to any vehicle while in transit by sea, air or between ports or places in these territories including loading and unloading incidental to such transit
  - (c) incurred while any vehicle is being driven by:
    - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
    - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles.

Provided that any driver shall be deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under Specific Exception 1(b), or if non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal, or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners



Provided further that:

notwithstanding anything to the contrary contained in Specific Exception 1(c)(ii) above including the proviso applicable thereto, the driver of any vehicle utilized for any commercial hunting and/or game viewing activities must at all times be fully licensed to drive or control such vehicle.

2. The Company shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.
3. The Company shall not be liable for any accident, injury, loss, damage or liability in respect of a caravan whilst being used as a permanent residence.

### **Specific Condition**

If, during the currency of this Section, any driver's licence in favour of the Insured or his/her/their authorised driver is endorsed, suspended or cancelled, or if he/she or they shall be charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Company immediately the Insured has knowledge of such fact.



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## ACCOUNTS RECEIVABLE

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### Defined Events

The Company shall indemnify the Insured in respect of:

Loss or damage as a result of accident or misfortune (hereinafter termed Damage) to the Insured's books of account or other business books or records at the premises or at the residence of any director, partner or employee or the premises of any accountant of the Insured, in consequence whereof the Insured are unable to trace or establish the outstanding debit balances in whole or part due to them

Provided that:

the liability of the Company shall not exceed the sums insured stated in the Schedule and that the basis of indemnity will be as set out in the specification which forms part of this Section.

If, because of imminent danger of their destruction, such books of account or other business books or records are removed to a place of safety, the insurance hereunder shall apply if such goods are destroyed, damaged or lost as aforesaid during such removal or while so located or being returned to the premises, provided the Insured shall notify the Company in writing of such removal within 30 (thirty) days thereafter.

The Company will also pay all reasonable collection costs and expenses incurred by the Insured in excess of normal collection costs and expenses made necessary because of such Damage.

### Specific Exceptions

The Company will not pay for:

- (a) loss resulting from loss or damage to the books of account or other business books or records caused by:
  - (i) wear and tear or gradual deterioration or moths or vermin;
  - (ii) detention, seizure or confiscation by any lawfully constituted authority;
  - (iii) electrical or electronic or magnetic injury, disturbances or erasure unless the Insured maintains the duplicate records referred to in the Duplicate records clause of this Section, in which case the Insured will be responsible for the first R500 (five hundred rand) of each and every loss;
- (b) loss caused by fraud or dishonesty of any principal, director, partner or employee of the Insured.

### Specification

The insurance under this Section is limited to the loss sustained by the Insured in respect of outstanding debit balances directly due to the Damage and the amount payable shall not exceed:

- (i) the difference between
  - (a) the outstanding debit balances;
  - and
  - (b) the total of the amounts received or traced in respect thereof
- plus
- (ii) the additional expenditure incurred in tracing and establishing customers' debit balances after the Damage

Provided that:

if the sum insured under this item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

### Definitions

#### Outstanding debit balances

The total declared in the statement last given under the provisions of the following memorandum adjusted for:

- (a) bad debts
- (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to customers' accounts in the period between the date to which said last statement relates and the date of the Damage
- and
- (c) any abnormal condition of trade which had or could have had a material effect on the business so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

### Clauses, Extensions And Memoranda

#### 1. Declarations

The Insured shall, within 60 (sixty) days of the end of each month or other agreed period, deposit with the Company a signed statement showing the total amount outstanding in customers' accounts as set out in the Insured's accounts as at the end of the said month.





## 2. Adjustment

In consideration of the premium under this Section being provisional in that it is calculated on 75% (seventy five percent) of the sum insured, the premium will be adjusted as follows:

on the expiry of each period of insurance, the actual premium shall be calculated at the rate per cent per annum on the average amount insured, i.e. the total of the sums declared divided by the number of declarations. If the actual premium is greater than the provisional premium, the Insured shall pay the difference. If it is less, the difference shall be repaid to the Insured, but such repayment shall not exceed 33,3% (thirty three and a third per cent) of the provisional premium paid.

If the amount of a declaration exceeds the sum insured applicable at the date of such declaration, then for the purposes of this memorandum only, the Insured shall be deemed to have declared such sum insured.

## 3. Riot and Strike (If stated in the Schedule to be included)

In consideration of the payment of an additional premium and subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this Section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 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 (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

## 4. Accountants clause

Any particulars or details contained in the Insured's books of account or other business books or records which may be required by the Company under this Section for the purpose of investigating or verifying any claim hereunder, may be produced and certified by the Insured's auditors or professional accountants, and their certificate shall be prima facie evidence of the particulars and details to which it relates.

## 5. Duplicate records (If stated in the Schedule to be included)

The Insured shall maintain duplicates of their books of account or other business books or records containing details of outstanding balances and such duplicates shall be stored at different premises from the originals.

## 6. Protections (If stated in the Schedule to be included)

The Insured's books of account, or other business books or records containing details of outstanding balances, must be kept in a fire resistant safe, cabinet or strong room outside business hours unless they are being worked on or are required for immediate reference.

## 7. Transit (If stated in the Schedule to be included)

The insurance under this Section includes loss as defined to the Insured's books of account or other business books or records whilst in transit to or from the premises or residence of any director, partner, employee or accountant of the Insured.



## BUSINESS ALL RISKS

### Defined Events

The Company will indemnify the Insured for:

- (i) Loss of or damage to the property stated in the Schedule belonging to the Insured caused by any accident or misfortune arising from any fortuitous circumstances not excluded in terms of any exception which is applicable to this Policy in general within the territorial limits
- (ii) Loss of or damage to the property of guests/clients relating to commercial hunting and/or game viewing only (excluding firearms of any nature) if stated in the Schedule caused by any accident or misfortune arising from any fortuitous circumstances not excluded in terms of any exceptions which is applicable to this Policy in general within the territorial limits

Provided that:

- (a) the liability of the Company in terms of Defined Event (i) above shall in no case exceed in respect of each and every item the sum insured stated in the Schedule or in the aggregate the total sum insured hereby;
- (b) the value of the property in respect of Defined Event (ii) above shall be limited to a maximum amount of R3 000 (three thousand rand) any one guest or client and R25 000 (twenty five thousand rand) any one event.

### Territorial Limits

The Territorial Limits of this Section shall be Anywhere in the World.

### Specific Exceptions

This Section does not apply to and does not cover:

- (a) depreciation or loss or damage arising from wear and tear, dents, scratches or occasioned by moth, vermin, insects, damp, mildew, rust or any process of heating, drying, cleaning, dyeing, alteration or repair to which the property is subjected;
- (b) loss or damage by theft or attempt thereat or fraud of any principal, partner, director or any person in the employ or service of the Insured whether acting alone or in collusion with others;
- (c) breakage of articles of a brittle nature unless such breakage is caused by burglars, thieves or fire;
- (d) loss by leakage of any liquid from the receptacle in which it is contained;
- (e) deeds, bonds, coins, money, securities, stamps, stamp collections, plans, patterns, designs, documents of title, contracts or other documents, business books or manuscripts unless specifically specified in the Schedule;
- (f) damage to any working machine or part thereof as a result of electronic, electrical or mechanical breakdown failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded;
- (g) loss of or damage to property resulting from or caused by theft or break in from/to any unattended vehicle in the custody or control of the Insured or any principal, partner, director or employee of the Insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building;

Provided that:

entry or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit;

- (h) consequential loss of any nature whatsoever;
- (i) inherent vice or defect regarding the insured property;
- (j) loss or damage for which provision is made in any guarantee or service contract, in any contract of purchase or lease agreement or hire purchase or financing agreement or in any other agreement of whatever nature regarding the insured property;
- (k) loss of or damage to irrigation pipes, electrical motors and other pumping equipment which are situated below the normal flood levels of rivers and streams;
- (l) loss of or damage to wine;
- (m) detention, confiscation or requisition by customs or other officials or authorities;
- (n) loss of or damage to goods consigned under a bill of lading.

### Specific Conditions

#### 1. Underinsurance (Applicable to non-specified items only)

If the total value of property hereby insured which is not separately and individually specified shall, in the event of loss or damage at the time of the happening to such property, be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, of this Section shall be separately subject to this Condition.

#### 2. (i) Compulsory First Amount Payable – Following Burglary (Excluding property of Hunters and/or Game Viewers)

The Insured shall be responsible for the First Amount Payable stated hereunder in respect of each and every event resulting from burglary accompanied by visible violent and forcible entry to or exit from

- (a) the boot or compartment (cubby-hole) of any completely closed and securely locked vehicle or from any closed and secured locked building housing such vehicle- 10% (ten percent) or R200 (two hundred rand) whichever is the greater;



- (b) the interior or under a canopy of any vehicle excluding as stated in (a) above - 20% (twenty percent) of claim or R500 (five hundred rand) whichever is the greater.

**(ii) Compulsory First Amount Payable - Other Than Burglary (Excluding property of Hunters and/or Game Viewers)**

The Insured shall be responsible for the Compulsory First Amount Payable except a claim resulting from fire, lightning, explosion or theft (as defined in terms of 2(i) above) stated hereunder in respect of each and every event

- (a) glass bottles of milking machines -  
10% (ten percent) of claim minimum R250 (two hundred and fifty rand);
- (b) irrigation pipes and pumps -  
10% (ten percent) of claim minimum R350 (three hundred and fifty rand);
- (c) nitrogen insemination flasks and contents -  
10% (ten percent) of claim minimum R500 (five hundred rand);
- (d) all other specified property -  
5% (five percent) of claim minimum R 250 (two hundred and fifty rand)  
or the amount stated in the Schedule in respect of 2(ii)(a), (b), (c) and (d) whichever is the greater.

**(iii) Compulsory First Amount Payable - The Property of Hunters and/or Game Viewers**

The Insured shall be responsible for the Compulsory First Amount Payable stated hereunder except a claim results from fire, lightning or explosion

- (a) 10% (ten percent) of claim minimum R250 (two hundred and fifty rand) per client per any one occurrence.

**3. Liquid Nitrogen Insemination Flasks**

In respect of liquid nitrogen insemination flasks and contents insured under this Section the Company shall be liable for loss of or damage to containers and contents arising from breakdown of flasks due to loss of vacuum

Provided that:

the Insured furnish a warranty that the insemination flasks are annually reviewed by the suppliers.

**4. Replacement Value**

In the event of the property insured under this Section being lost, destroyed or damaged, the basis upon which the amount payable under this Section is to be calculated shall be the cost of replacing or reinstating property of the same kind or type but not superior to or more extensive than the insured property when new, subject to all the other terms and conditions of the Policy except in so far as they may be varied hereby.

**Extensions**

**1. Increase in Cost of Working (If Stated in the Schedule to be Included)**

The insurance under this item is limited to expenditure not otherwise recoverable under this Section, necessarily and reasonably incurred as a result of loss of or damage to property for which payment is made or liability therefore is admitted under this Section, for the purpose of maintaining the normal operation of the business.

**2. Riot and Strike (If stated in the schedule to be included)**

In consideration of the payment of an additional premium and subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this Section is extended to cover loss or damage directly occasioned by or through or in consequence of

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 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 (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.



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## BUSINESS INTERRUPTION

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### Defined Events

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted and subject to the Physical Damage Provision clause under:

- (a) the fire section this policy
- (b) the buildings combined section of this policy
- (c) the office contents section of this policy
- (d) any other material damage insurance covering the interest of the insured but only in respect of perils insured under the Fire section hereof (hereinafter termed Damage)

### Physical Damage Provision

The Insurers obligation to indemnify shall be restricted to claims resulting from:

- (a) property insurances, insofar as they cover financial losses arising from the physical loss of or physical damage to the tangible insured property caused by an insured peril, and
- (b) property business interruption insurances, insofar as they cover interruption directly caused by physical loss of or physical damage to the tangible insured property caused by an insured peril or directly caused by physical loss of or physical damage to tangible property at the premises of a customer or supplier of the insured.

Physical damage is understood to mean a detrimental change in tangible property substance in a manner necessitating repair, rebuilding or replacement. For the avoidance of doubt, pure loss of use (without preceding physical loss or damage) such as the inability to use or restrictions in the use of a building or an object as well as the simple non-functioning of an object, shall not constitute a physical loss or damage.

Notwithstanding the foregoing it is understood that coverage hereunder for property business interruption extends to other premises and/or situations as described in "Extension to Other Premises" (a ) to (g) provided the extensions are selected and premium paid accordingly.

### Specific Conditions

1. The insurance under this section shall cease if the business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the company.
2. On the happening of any Damage in consequence of which a claim may be made under this section, the insured shall, in addition to complying with general conditions 6 and 7, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimize or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under this section shall, not later than 30 days after the expiry of the indemnity period, or within such further time as the company may in writing allow, at their own expense deliver to the company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. No claim under this section shall be payable unless the terms of this specific condition have been complied with and, in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the company forthwith.

Provided that:

- (a) at the time of the occurrence of the Damage there shall be in force an insurance covering the interest of the Insured in the property at the premises against such Damage and that payment shall have been made or liability admitted thereof under such insurance
- (b) the liability of the Company shall in no case exceed in respect of each item the sum insured as stated in the Schedule.

### Item 1 - Gross Profit (Difference Basis)

The insurance under this item is limited to loss of gross profit due to:

- (a) reduction in turnover and
- (b) increase in cost of working

and the amount payable as indemnity hereunder shall be

- (a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the Damage fall short of the standard turnover
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the Damage

Provided that:



- (a) the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 (twelve) months.

#### **Item 1 - Gross Profit (Additions Basis)**

The insurance under this item is limited to loss of gross profit due to:

- (a) reduction in turnover and
- (b) increase in cost of working

and the amount payable as indemnity hereunder shall be

- (a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the Damage fall short of the standard turnover
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided less any sum saved during the indemnity period in respect of such of the insured standing charges as may cease or be reduced in consequence of the Damage

Provided that:

- (a) the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 (twelve) months.

#### **Memo**

If any standing charges of the business are not insured under this Section, then in computing the amount recoverable hereunder as increase in cost of working that proportion only of the additional expenditure shall be brought into account which the sum of the net profit and the insured standing charges bears to the sum of the net profit and all the standing charges.

#### **Item 2 - Gross Rentals**

The insurance under this item is limited to:

- (a) loss of gross rentals and
- (b) increase in cost of working

and the amount payable as indemnity hereunder shall be

- (a) in respect of loss of gross rentals, the amount by which the gross rentals during the indemnity period shall, in consequence of the Damage, fall short of the standard gross rentals
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of rentals which but for that expenditure would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of gross rentals thereby avoided less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross rentals as may cease or be reduced in consequence of the Damage

Provided that:

- (c) the amount payable shall be proportionately reduced if the sum insured in respect of gross rentals is less than the annual gross rentals where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 (twelve) months.

#### **Item 3 - Revenue**

The insurance under this item is limited to:

- (a) loss of revenue and
- (b) increase in cost of working and the amount payable as indemnity hereunder shall be

- (a) in respect of loss of revenue the amount by which the revenue during the indemnity period shall, in consequence of the Damage, fall short of the standard revenue
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which but for that expenditure would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of revenue thereby avoided less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the Damage

Provided that:

the amount payable shall be proportionately reduced if the sum insured in respect of revenue is less than the annual revenue where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual revenue where the maximum indemnity period exceeds 12 (twelve) months.



#### **Item 4 - Additional Increase in Cost of Working**

The insurance under this item is limited to reasonable additional expenditure (not recoverable under other items) incurred with the consent of the Company during the indemnity period in consequence of the Damage for the purposes of maintaining the normal operation of the business.

#### **Item 5 - Wages (Number of weeks basis)**

The insurance under this item is limited to the loss incurred by the Insured by the payment of wages for a period beginning with the occurrence of the Damage and ending not later thereafter than the specified number of weeks.

The amount payable as indemnity under this item will be the actual amount which the Insured shall pay as wages for such period to employees whose services cannot, in consequence of the Damage, be utilised by the Insured at all and an equitable part of the wages paid for such period to employees whose services cannot in consequence of the Damage, be utilised by the Insured to the full.

Provided that:

if the sum insured by this item is less than the aggregate amount of the wages that would have been paid during the specified number of weeks immediately following the Damage had the Damage not occurred, the amount payable will be proportionately reduced.

#### **Item 6 - Fines and Penalties for Breach of Contract**

The insurance under this item is limited to fines or penalties for breach of contract and the amount payable as indemnity hereunder shall be such sum as the Insured shall be legally liable to pay and shall pay in discharge of fines or penalties incurred solely in consequence of Damage for non-completion or late completion of orders.

### **Definitions**

#### **Indemnity periods**

The period beginning with the commencement of the Damage and ending not later than the number of months thereafter stated in the Schedule during which the results of the business shall be affected in consequence of the Damage.

#### **Turnover**

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the business at the premises.

#### **Revenue**

The money paid or payable to the Insured for goods sold and for services rendered in the course of the business at the premises.

#### **Gross rentals**

The money paid or payable to the Insured by tenants in respect of rental of the premises and for services rendered.

#### **Gross profit (Difference basis)**

The amount by which

- (a) the sum of the turnover and the amount of the closing stock shall exceed
- (b) the sum of the amount of the opening stock and the amount of the uninsured costs

Provided that:

the amount of the opening and closing stocks shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

#### **Uninsured costs**

These are defined in the Schedule and the words and expressions used shall have the meaning usually attached to them in the books and accounts of the Insured.

#### **Gross profit (Additions basis)**

The sum produced by adding to the net profit the amount of the insured standing charges, or if there is no net profit, the amount of the insured standing charges less such proportion of any net trading loss as the amount of the insured standing charges bears to all the standing charges of the business.

#### **Net profit**

The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.



### Insured Standing Charges

These are defined in the Schedule and the words and expressions used shall have the meaning usually attached to them in the books and accounts of the Insured

Standard turnover

Standard revenue

Standard gross rentals

The turnover (revenue) (gross rentals) during that period in the 12 (twelve) months immediately before the commencement of the Damage which corresponds with the indemnity period

Annual turnover

Annual revenue

Annual gross rentals

The turnover (revenue) (gross rentals) during that period in the 12 (twelve) months immediately before the commencement of the Damage

Rate of gross profit

The rate of gross profit earned on the turnover during the financial year immediately before the commencement of the Damage

to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the Damage or which would have affected the business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

**Note:** If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of Damage.

### Memo

If during the indemnity period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover, revenue or gross rentals, during the indemnity period.

### Specific Conditions

1. The insurance by this Section shall cease if:

- (a) the Business is wound up or carried on by a liquidator, curator, trustee or judicial manager or is permanently discontinued
- (b) the Insured's interests cease to exist in any other way than by death.

2. On the happening of any Damage in consequence of which a claim may be made under this Section the Insured shall in addition to complying with General Conditions 7 and 9 of this Policy with due diligence do and concur in doing and permit to be done all things which may be reasonable practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss and in the event of a claim being made under this Section shall, not later than 30 (thirty) days after the expiry of the Indemnity Period (or within such further time as the Company may in writing allow) at their own expense deliver to the Company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom.

3. No claim under this Section shall be payable after the expiry of:

- (a) a period of 1 (one) year calculated from the end of the indemnity period,  
or
- (b) a period of 3 (three) months from the date on which payment shall have been made or liability admitted in respect of the insurance covering the interests of the Insured in the property at the premises against Damage from which the aforementioned claim arose unless the claim is the subject of pending legal action or the subject of arbitration under the provisions of General Condition 14 of this Policy.

### Clauses And Extensions

#### A. Auditors

Any particulars or details contained in the Insured's books of accounts or other business books or documents which may be required by the Company under this Section for the purpose of investigating or verifying any claim hereunder, may be produced and certified by the Insured's auditors or professional accountants and their certificate shall be prima facie evidence of the particulars and details to which it relates.

#### B. Accumulated Stocks

In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in turnover due to Damage is postponed by reason of the turnover being temporarily maintained from accumulated stocks.



### C. Departments

If the business is conducted in departments/branches, the independent trading results of which are ascertainable, the provisions under items 1, 2 or 3 relating to reduction in turnover/gross rentals/revenue and increase in cost of working shall apply separately to each department/ branch affected by the interruption except that if the sum insured by the relative item is less than the aggregate of the annual gross rentals/annual revenue/sums produced by applying the rate of gross profit for each department/branch, whether or not affected by the Damage, to the relative annual turnover thereof (proportionately increased if the number of months referred to in the definition of the indemnity period exceeds 12 (twelve)), the amount payable shall be proportionately reduced.

### D. Deposit Premium

In consideration of the premium by items 1, 2 or 3 being provisional in that it is calculated on 75% (seventy five percent) of the sum insured, the premium is subject to adjustment on expiry of each term of insurance as follows:

in the event of the gross profit/gross rentals/revenue earned (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12 (twelve)) during the financial year most nearly concurrent with any period of insurance being less or greater than 75% (seventy five percent) of the sum insured thereon, a pro rata return of additional premium not exceeding one third (1/3) of the provisional premium paid for such period of insurance will be made in respect of the difference.

In the event of a claim being made under this Section, the amount paid or payable thereon shall be regarded as actually earned.

### E. Output (Alternative basis)

At the option of the Insured the term "output" may be substituted for the term "turnover" and for the purposes of this Section "output" shall mean the sale or transfer value, as shown in the Insured's books, of goods manufactured or processed by the Insured at the premises

Provided that:

- (a) only the meaning of "output" or the meaning of "turnover" shall be operative in connection with any one event resulting in interruption
- (b) if the meaning of "output" be used
  - (i) the accumulated stocks clause shall be inoperative
  - (ii) the memo at the end of the definitions shall read:

"If during the indemnity period goods shall be manufactured or processed other than at the premises for the benefit of the business either by the Insured or by others on behalf of the Insured, the sale or transfer value of such goods shall be brought into account in arriving at the output during the indemnity period".

### F. Payments on Accounts

In the event of a claim, the Company will make periodical payments on account to the Insured if desired.

### G. Salvage Sale

If the Insured shall hold a salvage sale during the indemnity period, Clause (a) of item 1 (gross profit) shall, for the purposes of such claim, read as follows:

"(a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period (less the turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the standard turnover, from which sum shall be deducted the gross profit actually earned during the period of the salvage sale."

### H. Prevention of Access

Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of Damage (as referred to in this Section) to property in the vicinity of the premises which shall prevent or hinder the use thereof or access thereto whether the premises or property of the Insured therein shall be damaged or not, shall be deemed to be loss resulting from Damage (as referred to in this Section) to property used by the Insured at the premises.

### I. Storage and Transit

Loss as insured by this Section resulting from interruption of or interference with the business in consequence of Damage due to perils insured in terms of this Section to property:

- (a) at premises where the Insured have stored or temporarily deposited property (either for processing or storage purposes) or are fulfilling a contract
- (b) whilst in transit by air, road, railway or inland waterway
- (c) being motor vehicles of the Insured elsewhere than at the Insured's premises
- (d) at the premises of the Insured's associated and subsidiary companies shall be deemed to be loss resulting from Damage to property used by the Insured at the premises.

### J. New Business (Only applicable when Gross Profit is insured)

For the purpose of any claim arising from Damage occurring before the completion of the first year's trading of the business at the premises the terms "Rate of Gross Profit", "Annual Turnover" and "Standard Turnover" shall bear the following meanings and not as stated within:





**RATE OF GROSS PROFIT**

The rate of gross profit earned on the turnover during the period between the date of the commencement of the business and the date of the Damage

**ANNUAL TURNOVER**

The proportional equivalent, for a period of 12 (twelve) months of the turnover realised during the period between the commencement of the business and the date of the Damage

**STANDARD TURNOVER**

The proportional equivalent, for a period equal to the indemnity period, of the turnover realised during the period between the commencement of the business and the date of the Damage

to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the Damage or which would have affected the business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

**Note:** If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of Damage.

**K. New Business (Only applicable when Rent is insured)**

For the purpose of any claim arising from Damage occurring before the completion of the first year's trading of the business at the premises the terms "Annual Gross Rentals" and "Standard Gross Rentals" shall bear the following meanings and not as stated within:

**ANNUAL GROSS RENTAL**

The proportional equivalent, for a period of 12 (twelve) months, of the rental realised during the period between commencement of the business and the date of the Damage

**STANDARD GROSS RENTALS**

The proportional equivalent, for a period equal to the indemnity period, of the rental realised during the period between the commencement of the business and the date of the Damage

to which such adjustment shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the Damage or which would have affected the business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

**Note:** If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of Damage.

**L. New Business (Only applicable when Revenue is insured)**

For the purpose of any claim arising from Damage occurring before the completion of the first year's trading of the business at the premises the terms "Annual Revenue" and "Standard Revenue" shall bear the following meanings and not as stated within:

**ANNUAL GROSS RENTAL**

The proportional equivalent, for a period of 12 (twelve) months, of the rental realised during the period between commencement of the business and the date of the Damage

**STANDARD GROSS RENTALS**

The proportional equivalent, for a period equal to the indemnity period, of the rental realised during the period between the commencement of the business and the date of the Damage

to which such adjustment shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the Damage or which would have affected the business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.

**Note:** If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of Damage.



#### M. Additional and New Premises

Loss as insured by this Section resulting from interruption of or interference with the business in consequence of Damage (as herein defined) to property at any premises in respect of which the Insured has entered into a contract to have constructed, to purchase, to lease or to rent shall be deemed to be loss resulting from damage to property used by the Insured at the premises

Provided that:

notice thereof is given to the Company as soon as reasonably practical and adjustment of premium be made if required.

#### N. Geographical Limits

The geographical limits in terms of Clauses H - Prevention of Access, I - Storage and Transit including Endorsement 1 (not applicable to specified suppliers), 2, 3, 4 and 5 are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique.

Additional and new premises described in terms of Clause M of this Section is confined to the Republic of South African and Namibia.

### Endorsements Applicable If So Stated In The Schedule

#### 1. Customers and Suppliers

In consideration of the payment of an additional premium any loss arising from interruption or interference with the Business as a result of contingencies hereby insured against to premises or other property of customers or suppliers specified in the Schedule subject to the stated limits shall be regarded as a loss resulting from damage to property used by the Insured on the premises

Provided that:

- (a) the liability of the Company in respect of unspecified customers and suppliers shall be limited to 10% (ten percent) of the Gross Profit/Revenue/Gross Rental insured;
- (b) suppliers, if unspecified, excludes the premises of any public supply undertaking from which the Insured obtains electricity, gas or water;
- (c) suppliers specifically excludes any timber plantation(s);
- (d) the reference to "Perils insured under the Fire Section of this Policy" as stated under the heading Defined Events of this Section pertaining to any planted (growing) crop and/or plantations (other than timber) will be limited to the perils of fire and lightning only.

#### 2. Water and Electricity Supplier's Premises

In consideration of the payment of an additional premium this Section is extended to include loss resulting from interruption of or interference with the Business in consequence of damage by any of the contingencies hereby insured against to property belonging to any public undertaking which supplies electricity, gas or water

Provided that:

the interruption shall continue uninterrupted for at least 24 (twenty four) hours.

#### 3. Public Telecommunications - Insured Perils Only

Loss as insured by this Section resulting from interruption of or interference with the business in consequence of Damage (as within defined):

- (i) to property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the Insured;
- (ii) to the transmission facilities network of the public authority mentioned in (i) above shall be deemed to be loss resulting from Damage to the property used by the Insured at the premises.

#### 4. Public Utilities – Insured Perils Only

Loss as insured resulting from interruption of or interference with the business in consequence of total or partial failure of the public supply of water, gas or electricity to the premises of the Insured shall be deemed to have resulted from Damage (as within defined) provided that this Extension does not cover loss resulting from Damage directly or indirectly caused by:

- (i) drought
- (ii) pollution of water;
- (iii) shortage of fuel or water;
- (iv) a fault on any part of the installation belonging to the premises;
- (v) the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority;
- (vi) any event described in General Exceptions 1 and 2 but cover provided by the Malicious Damage Extension in the underlying Material Damage Section of this Policy is not excluded.

In respect of interruption of or interference with the business arising from mechanical or electrical or electronic breakdown, there shall be no liability under this Extension for interruption of or interference with the business unless such interruption or interference extends beyond 24 (twenty four) hours from commencement thereof.



## 5. Accidental Damage

The following Defined Event is added:

“Loss following interruption or interference with the business in consequence of Damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under Defined Event (i) of the Accidental Damage Section of this Policy (hereinafter termed Damage)

Provided that:

- (a) the provision under any item of this Section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of this Defined Event;
- (b) the Company shall not pay more than the sum insured stated in the Schedule of the Accidental Damage Section for both this Section and the Accidental Damage Section combined”.

## 6. Guesthouses (Accommodation and Lodging)

In consideration of the payment of an additional premium the undermentioned Defined Events are added:

- (i) Section - Burglary of this Policy;
- (ii) Section - Transit and Section - Single Transit - General of this Policy;
- (iii) The outbreak of a notifiable infectious, or otherwise dangerous human sickness, illness or disease occurring at the insured premises or the arising of a situation which might lead to the occurrence of such sickness, illness or disease, resulting in the closure or partial closure or other interference with the business by order of the State or Government local authority or any other competent authority;
- (iv) Murder, suicide and/or food poisoning occurring on the insured premises;
- (v) The pollution of any sea, beach or waterway within 15 (fifteen) kilometres of the insured premises;
- (vi) Use of or access to the insured premises being prevented or hindered following upon a bomb-scare in excess of the first 6 (six) hours of such bomb-scare;
- (vii) Wild game attack, shark attack or shark scare

Provided that:

the insurance hereunder shall be subject to the following Special Conditions:

- (i) the liability of the Company shall not exceed the Sum Insured as stated in the Schedule in respect of this Extension;
- (ii) the provision requiring material damage to occur, shall not apply to Defined Events (iii) to (vii) of this Extension;
- (iii) In consequence of a licence granted in respect of the insured premises for the sale by retail of excisable liquors (hereinafter referred to as Licence) becoming suspended or forfeited under the provisions of the appropriate legislation governing such Licences, or refused renewal after due application for such renewal to the appropriate authority at any time during the period of insurance, such suspension, forfeiture or refused renewal being occasioned by reasons beyond the control of the Insured

Provided that:

- (a) if the Insured is entitled to payment of compensation under the provisions of any act of parliament relating to the refusal to renew the Licence, no claim shall be payable under this Extension;
- (b) in the event of death, bankruptcy, incapacity, desertion of the insured premises or conviction for any offence where such conviction affects the character or reputation of the convicted person with regard to this honesty, moral standing or sobriety of the tenant, manager, occupier or licensee, the Insured shall, where practical and at the request of the Company, procure a suitable person to replace him/her and one to whom the justice will transfer the Licence or grant the Licence by way of renewal;
- (c) if the forfeiture of or refusal to renew the Licence is occasioned wholly or partly by or through the misconduct or procurement or connivance or neglect or omission of the Insured or by any omission of the Insured to take any step necessary for keeping the Licence in force, no claim shall be payable under this Extension unless the Insured or any other claimant hereunder shall prove to the reasonable satisfaction of the Company that such matter was beyond his/her or their power or control;
- (d) if the refused renewal, suspension or forfeiture of the Licence arises directly or indirectly from any scheme of town or country planning, improvement or redevelopment compulsory purchase or from an amendment of the law affecting the granting, surrender, refusal to renew, suspension or forfeiture of Licences, no claim shall be payable under this Extension;
- (e) the Insured shall, on becoming aware of any:
  - (i) complaint against the insured premises or the control thereof;
  - (ii) proceedings against or conviction of the licensee, manager, tenant or occupier of the premises for any breach of licensing law or any matter whatsoever whereby the character or reputation of the person concerned is affected or called into question with regard to his honesty, moral standing or sobriety;
  - (iii) transfer or proposed transfer of the Licence;
  - (iv) alteration in the purpose for which the premises are used;
  - (v) objection to renewal or other circumstances which may endanger the Licence or renewal thereof immediately give notice thereof in writing to the Company and supply such additional information and give such assistance as the Company may reasonably require.



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## ACCIDENTAL DAMAGE

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### Defined Events (i)

The Company shall indemnify the Insured in respect of:

Accidental physical loss of or damage to the insured property at or about the premises not otherwise insured or for which insurance is available and described (whether incorporated in this Policy or not) in terms of any Section (other than Business All Risks) listed in the index of this Policy.

The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum stated and notwithstanding General Condition 5 this Section shall not be called into contribution for any Defined Event for which more specific insurance has been arranged.

### Specific Exceptions

The Company shall not be liable for:

- (a) any peril excluded or circumstance precluded from any insurance available from the Company at inception hereof or for any excess payable by the Insured under such insurance or for any reduction of amount payable under any claim due to the application of underinsurance;
- (b) more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection;
- (c) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process;
- (d) unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information;
- (e) loss of or damage to insured property caused by:
  - (i) any fraudulent scheme, trick, device or false pretence practised on the Insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the Insured;
  - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;
  - (iii) breakdown, electrical, electronic and/or mechanical derangement;
  - (iv) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
  - (v) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;
  - (vi) denting, chipping, scratching or cracking not affecting the operation of the item;
  - (vii) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light;
- (f) settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property;
  - (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container;
  - (ii) loss of or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
- (h) failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant
- (i) collapse of plant and machinery, buildings and structures (other than shelving or storage platforms).

### Definitions

#### 1. Insured Property

Insured property shall mean any tangible property belonging to the Insured or held in trust or on commission for which they are responsible other than:

- (a) current coin (including Krugerrands and similar coins) bank and currency notes, travellers and other cheques, money and postal orders, current unused postage, revenue and holiday pay stamps, credit card vouchers, unused MVA tokens and other certificates, documents or instruments of a negotiable nature;
- (b) furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art
- (c) property in transit by air, inland waterway or sea;
- (d) railway locomotives, rolling stock and other railway property, aircraft watercraft, mechanically or electrically propelled vehicles, motorcycles, mobile plant, caravans and trailers;
- (e) standing or felled trees, crops, animals, land (including topsoil, backfill, drainage and culverts), driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines (external to the premises), tunnels, cables (external to the premises) cableways, bridges, docks, jetties, wharves, piers, excavations, property below the ground or explosives;



- (f) electronic data processing equipment and external data media (punch cards, tapes, discs and the like) and the information they contain;
  - (g) property in the course of construction, erection or dismantling including materials or supplies related thereto;
  - (h) property in the possession of customers under lease, rental, credit or suspensive sale agreements;
  - (i) glass, china, earthenware, marble and other fragile or brittle objects;
- unless stated in the Schedule to be insured.

### Defined Events (ii)

Discharged or leakage (If stated in the Schedule to be included)

Accidental physical loss of or physical damage to the insured property caused by discharge or leakage from tanks, pipes or apparatus of chemicals, oils, liquids, fluids, gases or fumes (including loss of such chemicals, oils, liquids, fluids, gases or fumes) other than loss or damage resulting from wear and tear or other operating causes of the tanks, pipes or apparatus.

### Clauses And Extensions

#### 1. Restricted Cover

The insurance in respect of documents, manuscripts, business books, plans, designs, patterns, models, moulds and computer system records is limited to the value of the materials and the cost of labour for recreating and excludes any expenses in connection with the production of any information contained therein or the value of such information to the Insured.

#### 2. Additional Costs

In respect of buildings, plant and machinery insured, the sums insured include:

- (a) any costs incurred due to the necessity to comply with building or other regulations of any public authority in repair or reinstatement following an insured event

Provided that:

such costs do not include;

- (i) anything for which notice had been served on the Insured prior to the insured event;
- (ii) anything connected with undamaged property or undamaged portions of property;
- (iii) rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the insured property;
- (b) fees for the examination of municipal or other plans;
- (c) costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding;
- (d) the professional fees of architects, quantity surveyors and other consultants;

and the sum insured on all insured property includes:

- (e) charges levied by any authorised fire brigade for their services but the Company shall not be liable under (a), (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay nor under (d) for any expenses in connection with the preparation of the Insured's claim.

Further the Company shall not be liable under (c) for any costs or expenses

- (i) incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site;
- (ii) arising from pollution or contamination of property not insured by this Policy/section.

#### 3. Mortgagees

From the date of notification, the Company accepts the interest of a mortgagee or others with an insurable interest in the insured property and will not prejudice such interest due to the act or omission of the mortgagor without the mortgagee's knowledge

Provided that:

the mortgagee advises the Company as soon as such act or omission comes to his/her knowledge and agrees to be responsible for any additional premium resulting from the Company assuming any increased hazard.

#### 4. Railway and Other Subrogation

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

#### 5. Tenants

The Insured shall not be prejudiced by the act of any tenant in premises he/she owns or in which he/she is a co-tenant or of the owner of any premises of which he/she is a tenant

Provided that:

the Company is notified as soon as he/she becomes aware of such act and he/she pays any additional premium resulting from the Company assuming any additional hazard.



## Memoranda

### 1. Underinsurance (If stated in the Schedule to be included)

If on the occurrence of an insured event the value of the insured property is greater than the sum insured thereon the Insured shall be considered his own insurer for the difference and shall bear a rateable share of the loss accordingly. Each item, if more than one, shall be separately subject to this Memorandum.

### 2. Reinstatement (If stated in the Schedule to be included)

The basis upon which the amount payable is to be calculated following an insured event to buildings, plant and machinery shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than such insured property when new

Provided that:

- (a) the work of replacement or reinstatement (which may be carried out on 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 that would have been payable if this Memorandum had not been incorporated in this Section shall be made;
- (b) the Company shall not be liable for any payment beyond the amount that would have been payable if this Memorandum had not been incorporated in this Section, until expenditure has been incurred by the Insured in replacing or reinstating the lost or damaged insured property;
- (c) 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 lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, the insured shall be considered their own insurer for the difference and shall bear a rateable share of the loss accordingly. Each item, if more than one, to which this Memorandum applies shall be separately subject to this provision;
- (d) this Memorandum shall not apply if:
  - (i) the Insured fail to intimate to the Company within 6 (six) months of the insured event or such further time as the Company may allow in writing their intention to replace or reinstate the lost or damaged insured property;
  - (ii) the Insured are unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

### 3. First Loss Average (If stated in the Schedule to be included)

If, at the time of any loss or damage arising, the total value of the property described by each item does not exceed the sums stated in the Schedule then this insurance shall be declared free of underinsurance but if the total value of such property shall be greater than the aforementioned sums, the Insured shall be considered as being their own insurer for the difference and the Company shall be liable only for such proportion of the first loss sum insured as the aforementioned sums shall bear to the total value not exceeding in all the total sum insured by each item.

### 4. First Amount Payable

The Company shall not be liable for the first 10% (ten percent) of each and every claim

Provided that:

the Insured shall be responsible for an amount of at least R500 (five hundred rand) or the amount stated in the Schedule whichever is the greater.

## Endorsements Applicable If So Stated In The Schedule

### 1. Excluded Property

It is hereby declared and agreed that the property listed in the Schedule is added to the excluded property in the definition of insured property.



## LOSS OF PROFITS (MACHINERY BREAKDOWN)

### Defined Events

Accident to machinery specified in Schedule II and used by the Insured at the premises for the purpose of the business resulting in interruption or interference with the business provided that payment shall have been made or liability admitted for accident under the Machinery Breakdown Section except in so far as a proviso may operate to exclude losses below a specified amount.

### Definitions

**1. "Accident"**

Unforeseen and sudden physical damage to the machinery described in Schedule II from any cause provided for by the Machinery Breakdown Section.

**2. "Gross profit" (difference basis) insured under item 1 of Schedule I**

The amount by which the sum of the turnover and closing stock exceeds the sum of the opening stock and the uninsured working expenses specified in Schedule I.

**3. "Gross profit" (specified standing charges basis) insured under item 2 of Schedule I**

The sum produced by adding to the net profit the amount of the insured standing charges or if there is no net profit the amount of the insured standing charges less such a proportion of any net trading loss as the amount of the insured standing charges bears to all the standing charges of the business.

**4. "Gross profit" (all standing charges basis) insured under item 3 of Schedule I**

The sum produced by adding to the net profit the amount of all the standing charges of the business or if there is no net profit the amount of all the standing charges less the amount of any net trading loss. For the purpose of this insurance depreciation of buildings plant machinery (other than machinery damaged in the accident) fixtures and fittings shall inter alia be deemed to be standing charges.

**5. "Net profit"**

The net trading profit (exclusive of all capital receipts and accretions and all outlay property chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all standing and other charges including depreciation but before the deduction of any taxation chargeable on profits.

**6. "Revenue"**

The money paid or payable to the Insured for goods sold and for services rendered in the course of the business at the premises.

**7. "Indemnity period"**

The period during which the results of the business are affected in consequence of the accident beginning the number of hours/days stated in Column C of Schedule II after the occurrence of the accident and ending not later than the expiry of the period shown in Column D of Schedule II after the occurrence.

**8. "Turnover"**

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the business at the premises.

**9. "Rate of gross profit"**

The rate of gross profit to turnover during the financial year immediately before the date of the accident.

**10. "Rate of wages"**

The rate of wages to turnover during the financial year immediately before the date of the accident.

**11. "Annual turnover"**

The turnover during the 12 (twelve) months immediately before the date of the accident.

**12. "Standard turnover"**

The turnover during the period corresponding with the indemnity period in the 12 (twelve) months immediately before the date of the accident.

**13. "Annual revenue" accident.**

The revenue during the 12 (twelve) months immediately before the date of the accident.

to which such adjustments will be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the accident or which would have affected the business had the damage not occurred so that the figure thus adjusted will represent as nearly as may be reasonably practicable the results which but for the accident would have been obtained during the relative period after the accident.



**14. “Standard revenue”**

The revenue during the period corresponding with the indemnity period in the 12 (twelve) months immediately before the date of the accident.

**15. “Shortage in turnover”**

The amount by which the turnover during the specified portion of the indemnity period shall in consequence of the accident fall short of that part of the standard turnover which relates thereto.

**16. “The premise”**

All premises owned used or occupied by the Insured for the purposes of the business.

**Specific Exceptions**

Additions Alterations Improvements

The Company will not be liable for loss resulting from interruption or interference with the business due to additions alterations or improvements being effected to the damaged item(s) on the occasion of its repair.

**Specific Conditions**

**1. Action in event of an accident**

When an accident occurs in consequence of which a claim may be made under this Section the Insured in addition to complying with the General Conditions shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss and if a claim is made under this Section will not later than 30 (thirty) days after the expiry of the indemnity period or within such further time as the Company will allow at their own expense deliver to the Company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. No claim under this Section will be payable unless this Specific Condition has been complied with and in the event of non-compliance therewith in any respect any payment on account of the claim already made will be repaid to the Company forthwith.

**2. Standby machinery**

Any item of machinery insured by this Section against which the word “Standby” appears in Schedule II shall be maintained as standby available for immediate use in the event of the failure of the machinery to which it is standby. Should the standby position change the Insured shall give notice as soon as possible to the Company and pay the applicable additional premium, calculated from the date that the item of machinery ceased to be standby.

**Basis Of Loss Settlement**

**1. Cross profit (difference basis)**

The insurance under item 1 of Schedule I is limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable thereunder will be

**(a) For reduction in turnover**

the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover

**(b) For increase in cost of working**

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing a reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided less any sum saved during the indemnity period for such charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the accident

Provided that:

if the sum insured by this item is less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

**2. Gross profit (specified standing charges basis)**

The insurance under item 2 of Schedule I is limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity thereunder will be

**(a) For reduction in turnover**

the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover

**(b) For increase in cost of working**





the additional expenditure (subject to proviso 2(d)) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided less any sum saved during the indemnity period for such of the insured standing charges as may cease or be reduced in consequence of the accident

Provided that:

- (i) if the sum insured by this item is less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced
- (ii) if any standing charges of the business are not insured only such proportion of the additional expenditure as the sum of the net profit and the insured standing charges bears to the sum of the net profit and all standing charges shall be brought into account when calculating the amount recoverable hereunder.

### 3. Gross profit (all standing charges basis)

The insurance under item 3 of Schedule I is limited to the gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity thereunder shall be

- (a) For reduction in turnover  
the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover
- (b) For increase in cost of working  
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided of the accident

Provided that:

if the sum insured by this item be less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

### 4. Revenue

The insurance under item 4 of Schedule I is limited to loss due to reduction in revenue and increase in cost of working and the amount payable as indemnity hereunder will be

- (a) **For reduction in revenue**  
the amount by which the revenue during the indemnity period shall in consequence of the accident fall short of the standard revenue
- (b) **For increase in cost of working**  
the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in revenue which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the amount of the reduction thereby avoided  
less any sum saved during the indemnity period for such charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the accident

Provided that:

if the sum insured by this item is less than the annual revenue (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

### 5. Wages (dual basis)

The insurance under item 5 of Schedule I is limited to loss in respect of wages and the amount payable thereunder will be

- (a) **For reduction in turnover**
  - (i) during the portion of the indemnity period beginning with the number of hours/days stated in Column C of Schedule II after the occurrence of the accident and ending not later thereafter than the specified number of weeks in Schedule I — the sum produced by applying the rate of wages to the shortage in turnover less any saving through reduction in the amount of wages paid in consequence of the accident
  - (ii) during the remaining portion of the indemnity period — the sum produced by applying the rate of wages to the shortage in Turnover less any saving through reduction in consequence of the accident in the amount of wages paid but not exceeding the sum produced by applying the specified percentage of the rate of wages to the shortage in turnover increased by such amount as is deducted for savings in terms of paragraph 5(a)(i) above.

**NOTE:** At the option of the Insured the provisions of paragraph 5(a)(i) may apply for the specified extended period provided that the amount arrived at under the provisions of 5(b)(ii) shall then not exceed the amount deducted under paragraph 5(a)(i) for savings effected during the said extended period



**(b) For increase in cost of working**

so much of the additional expenditure described in paragraph 1(b) or 2(b) or 3(b) of items 1 or 2 or 3 of Schedule I as exceeds the amount payable thereunder but not more than the additional amount which would have been payable for reduction in turnover under the provisions of paragraphs 5(a)(i) and 5(a)(ii) of this item had such expenditure not been incurred

Provided that:

if the sum insured by this item is less than the sum produced by applying the rate of wages to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced

**(c) Wages (number of weeks basis)**

the insurance by item 6 of Schedule I is limited to the loss incurred by the Insured by the payment of wages for a period beginning with the number of weeks/days stated in Column C of Schedule II after the occurrence of the accident and ending not later thereafter than the number of weeks specified in Schedule I. The amount payable as indemnity under this item will be the actual amount which the Insured shall pay as wages for such period to employees whose services cannot in consequence of the accident be utilised by the Insured at all and an equitable part of the wages paid for such period to employees whose services cannot in consequence of the accident be utilised by the Insured to the full

Provided that:

if the sum insured by this item is less than the aggregate amount of wages that would have been paid during the specified number of weeks immediately following the accident had the accident not occurred the amount payable will be proportionately reduced

**(d) Additional expenditure**

the insurance under item no. 7 of Schedule I limited to additional expenditure (in excess of that recoverable under other items) necessarily and reasonably incurred by the Insured in consequence of the accident in order to minimise interruption of or interference with the business during the indemnity period

**(e) Other premises**

if during the indemnity period goods shall be sold or services shall be rendered or revenue earned elsewhere than at the premises for the benefit of the business either by the Insured or by others on his/her behalf the money paid or payable or revenue earned in respect of such sales or services shall be brought into account in arriving at the turnover or revenue during the indemnity period.

## Clauses (if indicated in the schedule to apply)

### 1. Accountant/auditor

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company for the purpose of investigating or verifying any claims under this insurance may be produced and certified by the Insured's own accountants and/or auditors and their certificate will be prima facie evidence of the particulars and details to which such certificate relates.

### 2. Accumulation of stocks

In adjusting any loss account will be taken and an equitable allowance made if any shortage in turnover due to the accident is postponed by reason of the turnover being temporarily maintained from accumulated stocks.

### 3. Department/branches

If the business be conducted in departments/branches the independent trading results of which are ascertainable the provisions of paragraphs 1(a), 1(b), 2(a), 2(b), 3(a), 3(b), 4(a), 4(b), 5(a) and 5(b) will apply separately to each department/branch whose results are affected by the accident

Provided that:

if the respective sums insured are less than the aggregate of the sums produced by applying the rate of gross profit revenue or the rate of wages (as the case may be) for each department/branch of the business (whether its results are affected by the accident or not) to the relative annual turnover thereof (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

### 4. Alternative basis of loss settlement

The term "output" may be substituted for the term "turnover" and for the purpose of this insurance "output" shall mean "the sale value of goods manufactured by the Insured in the course of the business at the premises"

Provided that:

- (i) only one such meaning shall be operative in connection with any accident
- (ii) if the meaning set out above be adopted
  - (a) clause (b) shall be of no effect
  - (b) point 5(e) under the heading "Basis of Loss Settlement" shall read as follows



“if during the indemnity period goods shall be manufactured or services rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his/her behalf the sale value of goods so manufactured or services rendered shall be brought into account in arriving at the output during the indemnity period”.

#### 5. New business clause

For the purpose of assessing any loss sustained as the result of an accident occurring before the completion of the first year’s trading the terms “rate of gross profit” “rate of wages” “annual turnover” “standard turnover” “annual revenue” and “standard revenue” shall bear the following meanings

(i) Rate of gross profit

The rate of gross profit earned on the turnover during the 3 (three) months immediately before the date of the accident.

(ii) Rate of wages

The rate of wages to turnover during the 3 (three) months immediately before the date of the accident.

(iii) Annual turnover

Twelve times the average monthly turnover for the 3 (three) months immediately before the date of the accident.

(iv) Standard turnover

The turnover which would have been achieved during the indemnity period if the average turnover during the 3 (three) months immediately before the date of the accident had been maintained.

(v) Annual revenue

The average revenue earned during the 3 (three) months immediately before the date of the accident.

(vi) Standard revenue

The revenue which would have been earned during the indemnity period if the average revenue during the 3 (three) months immediately before the date of the accident had been maintained.

#### 6. Deposit premium

In consideration of the premium for items 1, 2, 3, 4 and/or 5 of Schedule I being provisional because they are calculated on 75% (seventy five percent) of the sum(s) insured thereby the premium is subject to adjustment on expiry of each period of insurance as follows

If the gross profit or revenue earned or wages paid (proportionately increased if the indemnity period exceeds 12 (twelve) months) during the financial year most nearly concurrent with any period of insurance is less or greater than 75% (seventy five percent) of the sum insured thereon a pro rata return or additional premium not exceeding 33-1/3% (thirty three and one third percent) of the provisional premium paid for such period of insurance will be made for the difference.

#### 7. Premium rebate

- (i) If the gross profit and/or revenue earned and/or wages paid as insured by item 5 of Schedule I (all proportionately increased if the indemnity period exceeds 12 (twelve) months) during the financial year most nearly concurrent with any period of insurance is less than the respective sums insured thereon a pro rata return of premium not exceeding 50% (fifty percent) of the premium paid on such sums insured for such period of insurance will be made for the difference

Provided that:

if any claim shall have arisen under these items such return will be made in respect only of so much of the difference as is not due to such claim.

- (ii) If the specified number of 52nd parts of the wages paid as insured by item 6 of Schedule I during the financial year most nearly concurrent with any period of insurance is less than the sum insured thereon a pro rata return of premium not exceeding 50% (fifty percent) of the premium paid on such sum insured for such period of insurance will be made for the difference

Provided that:

if any claim shall have arisen under this item no return of premium will be made.



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## EMPLOYER'S LIABILITY

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### Defined Events

The Company shall indemnify the Insured in respect of:

Damages which the Insured shall become legally liable to pay consequent upon death of or bodily injury to or illness of any person employed under a contract of service or apprenticeship with the Insured, which occurred in the course of and in connection with such person's employment by the Insured within the territorial limits and on or after the retroactive date shown in the Schedule and which results in a claim or claims first being made against the Insured in writing during the period of insurance.

### Limit of Indemnity

The amount payable, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source shall not exceed the limit of indemnity stated in the Schedule.

### Territorial Limits

Anywhere in the world but not in connection with:

- (a) any business carried on by the Insured at or from premises outside;
- (b) or
- (c) any contract for the performance of work outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

### Specific Exceptions

This Section does not cover:

- (a) liability assumed by the Insured under any contract undertaking or agreement where such liability would not have attached to the Insured in the absence of such contract, undertaking or agreement;
- (b) liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event;
- (c) fines, penalties, punitive, exemplary or vindictive damages;
- (d) any claim arising from an event known to the Insured:
  - (i) which is not reported to the Company in terms of General Condition 7;
  - (ii) prior to inception of this Section;
- (e) any claim (in the event of cancellation or non-renewal of this Section) not first made in writing against the Insured within the 48 (forty eight) month period (or extended period in respect of minors) as specified in Specific Condition 2.

### Specific Conditions

1. Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General Condition 7 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Company.

2. In the event of cancellation or non-renewal of the Policy:

- (a) any claim resulting from a reported event first made in writing against the Insured during the 48 (forty eight) months immediately following cancellation or non-renewal shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of 48 (forty eight) months will be extended until the expiry of 12 (twelve) months after the attainment of majority by the claimant;
- (b) the Insured may report an event in terms of General Condition 7 to the Company for up to 15 (fifteen) days after cancellation or non-renewal

Provided that:

- (i) such event occurred during the period of insurance;
- (ii) any subsequent claim first made in writing against the Insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 (forty eight) month period specified in 2(a) above.

3. Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the Insured

- (a) on the date that the event was reported by the Insured in terms of General Condition 7;
- or
- (b) if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.



## Extensions

### 1. Principals

Where a principal and the Insured are liable for the same damages and where any contract or agreement between a principal and the Insured so requires, the Company will, notwithstanding the aforementioned Specific Exception (a) above, indemnify the principal in like manner to the Insured but only so far as concerns the liability of the principal to an employee as aforementioned for death or bodily injury to or illness of such person resulting from the negligence of the Insured or the Insured's employees

Provided that:

- (a) in the event of a claim in terms of this Extension the Insured shall endeavour to arrange with the principal for the conduct and control of all claims to be vested in the Company;
- (b) the principal shall, as though he were the Insured fulfil and be subject to the Terms, Exceptions and Conditions (both General and Specific) of this Policy in so far as they can apply;
- (c) the liability of the Company is not hereby increased.

### 2. Extended Reporting Option (If stated in the Schedule to be included)

At the option of the Insured and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this Section, the Company agrees to extend the period during which the Insured may report an event in terms of General Condition 7 for a period to be agreed, but in no circumstances exceeding 36 (thirty six) months (hereinafter referred to as extended reporting period)

Provided that:

- (a) this option may only be exercised in the event of the Company cancelling or refusing to renew this Section;
- (b) this option must be exercised by the Insured in writing within 30 (thirty) days of cancellation or non-renewal;
- (c) once exercised, the option cannot be cancelled by either the Insured or the Company;
- (d) the Insured has not obtained insurance equal in scope and cover to this Section as expiring;
- (e) the Company shall only be liable for a Defined Event which occurred after the retroactive date but prior to date of cancellation or non-renewal;
- (f) claims first made against the Insured or any reported events by the Insured during the extended reporting period shall be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal;
- (g) the total amount payable by the Company for claims made or reported events during the extended reporting period shall not have the effect of increasing the limit of indemnity applicable as on the last day preceding the cancellation or non-renewal;
- (h) any claim made, following a reported event during the extended reporting period, which is first made against the Insured in writing more than 48 (forty eight) months after the last day preceding cancellation or non-renewal, shall not be subject to indemnification by this Extension. If the claimant is a minor, the period of 48 (forty eight) months is extended until the expiry of 12 (twelve) months after the attainment of majority by the claimant.

## Special Provision

1. In respect of this Section only, General Exception 1 is deleted and replaced by the following:

This Section does not cover death, injury, illness 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."



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## SASRIA CONSEQUENTIAL LOSS

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Underwritten by SASRIA LIMITED  
Reg. No. 1979/000287/06

### POLICY FOR CONSEQUENTIAL LOSS FOR SPECIAL RISKS INSURANCE

(A). Working Expenses

OR

(B) Standing Charges

as indicated in the underlying policy schedule

In consideration of the prior payment of the premium stated in the Schedule and the receipt thereof by or on behalf of Sasria Limited (hereinafter called Sasria) Sasria agrees (subject to the conditions contained herein or endorsed or otherwise expressed hereon which conditions shall so far as the nature of them respectively will permit be deemed to be conditions precedent to the right of the Insured to recover hereunder) that if any building or other property or any part thereof used by the Insured at the premises for the purpose of the business be destroyed or damaged by:

- (i) 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;
- (ii) 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;
- (iii) any riot, strike or public disorder, or any act or activity which is calculated or directed to bring about a riot, strike or public disorder;
- (iv) any attempt to perform any act referred to in clause (i), (ii) or (iii) above;
- (v) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause (i), (ii), (iii) or (iv) above.

#### Note:

In this policy, the term "Public Disorder" shall be deemed to include civil commotion, labour disturbances or lockouts;

(destruction or damage so caused being hereinafter termed "Damage") at any time before 24h00 of the last day of the Period Of Insurance and the business carried on by the Insured at the premises be in consequence thereof interrupted or interfered with then Sasria will pay to the Insured in respect of each item in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions therein contained.

#### Provided that:

at the time of the happening of the Damage there shall be in force an insurance issued by Sasria covering the interest of the Insured in the property at the premises against such Damage and that payments shall have been made or liability admitted therefor under such insurance;

the liability of Sasria shall in no case exceed in respect of each item the sum expressed in the said Schedule to be insured thereon or in the whole the total sum insured hereby.

It is further provided that notwithstanding anything to the contrary, where One Insured is insured by one or more current or valid insurance (other than Contract Works and or Construction Plant and or Motor) issued by or on behalf of Sasria the aggregate liability of Sasria under all such insurances shall be limited to the sum of R500 million (five hundred million Rand), during a calendar year where the property insured is in the Republic of South Africa.

For this purpose, ONE INSURED shall mean:

Any Single One Insured, or a Holding Company and all its Subsidiaries (as contemplated exclusively by the Companies Act, 1973) or Subsidiary of the Holding Company. In the case of One Insureds other than Companies, Sasria reserves the right to determine who the One Insured is for this purpose.

#### Exceptions

This policy does not cover:

- (1) Loss resulting from Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisitioning by any lawfully constituted authority.
- (2) Loss resulting from 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 (Act No. 85 of 1976) or; any similar Act operative in any of the Republics to which this policy applies.
- (3) Any loss resulting from Damage sustained or incurred outside the Republic of South Africa.



- (4) Any loss resulting from Damage related to or caused by:
- (i) war, invasion act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
  - (ii) mutiny, military rising, 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;
  - (iii) the act of any lawfully established authority in controlling preventing, suppressing, or in any way dealing with any occurrence referred to in clauses (i) and (ii) above.
- (5) Any Damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or consequential loss directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.  
For the purpose of this exclusion only combustion shall include any self -sustaining process of nuclear fission.  
The indemnity provided by this policy shall not apply to nor include Damage directly or indirectly caused or contributed to by or arising from nuclear weapons material.
- (6) Nuclear/Chemical/Biological Terrorism Exclusion  
it is agreed that, regardless of any contributory cause(s), this insurance does not cover loss(es) in any way caused or contributed to by an act of terrorism involving the use or release or the threat thereof of any nuclear weapon or device or chemical or biological agent.  
For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or personal purposes or reasons including the intention to influence any government and /or to put the public, or any section of the public in fear.  
If it is alleged that by reason of this exclusion any loss (es) is not covered by this policy the burden of providing the contrary shall be upon the insured.

### Conditions

1. This policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure in any material particular.
2. This policy shall be avoided if:
  - (a) the business be wound up or carried on by a liquidator or receiver or permanently discontinued  
or
  - (b) the Insured's interest ceases otherwise than by death at any time after the commencement of this insurance, unless it's continuance be admitted by memorandum signed by a Director of Sasria.
3. On the happening of any Damage in consequence of which a claim is or may be made under this policy, the Insured shall forthwith give notice thereof in writing to the Nominated Insurer and shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under this policy shall, not later than thirty days after the expiry of the Indemnity Period, or within such further time as Sasria may in writing allow, at his own expense deliver to the Nominated Insurer in writing a statement setting forth particulars of his claim, together with details of all other insurances covering the Damage or any part of it or Consequential Loss of any kind resulting therefrom. The Insured shall at his own expense also produce and furnish to the Nominated Insurer such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Nominated Insurer for the purpose of investigating or verifying the claim together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith. No claim under this policy shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to Sasria forthwith.
4. If the claim be in any respect fraudulent, if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this policy or if any Damage be occasioned by the willful act or with the connivance of the Insured, all benefit under this policy shall be forfeited.
5. Any claimant under this policy shall at the request and at the expense of Sasria do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by Sasria for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which Sasria shall be or would become entitled or subrogated upon its paying for or making good any loss under this policy, whether such acts and things shall be or become necessary or required before or after his indemnification by Sasria.
6. (a) If any difference shall arise as to the amount to be paid under this policy (liability being otherwise admitted) such difference shall be referred to Arbitration in accordance with the Arbitration laws for the time being in force in the Republic of South Africa, and at such place as Sasria may determine.  
(b) Where any difference or dispute is in terms of paragraph (a) above to be referred to Arbitration, the award of the Arbitrator(s) shall be final and binding and the making of such award shall be a condition precedent to any right of action against Sasria under this policy.
7. The policy may be cancelled at any time at the request of the Insured but in such cases no refund or pro-rata refund of premium shall become payable.



8. This policy and the Schedule annexed (which forms an integral part of this policy) shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this policy or of the Schedule shall bear such specific meanings wherever they may appear.
9. This policy shall not be valid unless countersigned by the Nominated Insurer





## SASRIA CONSEQUENTIAL LOSS WORKING EXPENSES

Underwritten by SASRIA LIMITED  
Reg. No. 1979/000287/06

### SPECIFICATION REFERRED TO IN THE ATTACHED CONSEQUENTIAL LOSS POLICY (WORKING EXPENSES)

**(A). Working Expenses - Sum Insured - (as stated in the Schedule)**

The Insurance hereby is limited to loss of working Expenses due to

- (a) Reduction In Turnover and
- (b) Increase In Cost Of Working and the amount payable as indemnity thereunder shall be:
  - (a) in respect of Reduction In Turnover - The sum produced by applying the Rate Of Working Expenses to the amount by which the turnover during the Indemnity Period shall, in consequence of the Damage, fall short of the Standard Turnover.
  - (b) in respect of Increase In Cost Of Working - The additional expenditure (subject to the provisions of the Uninsured Standing Charges clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the Reduction In Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the damage, but not exceeding the sum produced by applying the Rate Of Working Expenses to the amount of the reduction thereby avoided;

less any sum saved during the Indemnity Period in respect of such of the charges and expenses of the business payable out to Working Expenses as may cease to be reduced in consequence of the Damage;

provided that if the Sum Insured by this item be less than the sum produced by applying the Rate Of Working Expenses to the Annual Turnover (or to a proportionately increased multiple thereof where the maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

**Definitions**

**Indemnity Period:**

The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period as specified in the Schedule during which the results of the business shall be affected in consequence of the Damage.

**Turnover:**

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of business at the premises.

**Working Expenses:**

The amount by which

- (i) the sum of the amount of the Turnover and the amounts of the closing stock and work in progress shall exceed
- (ii) the sum of the amounts of the opening stock and work in progress and the net profit and the amount of the Specified Uninsured Working Expenses

The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with generally accepted accounting practice.

**Net Profit:**

The net profit (exclusive of all capital receipts and accretions, and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all Standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

**Specified Uninsured Working Expenses**

As detailed on the Schedule.

<p>The words and expressions used in this definition (other than wages) shall have the meaning usually attached to them in the books and accounts of the Insured. Rate of Working Expenses – The Rate Of Working Expenses earned on the Turnover during the financial year immediately before the date of the Damage</p> <p>Annual Turnover – The Turnover during the twelve months immediately before the date of Damage.</p>	<p>To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the Damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage.</p>
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Standard Turnover – The Turnover during the period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period	
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## SASRIA CONSEQUENTIAL LOSS STANDING CHARGES

Underwritten by SASRIA LIMITED  
Reg. No. 1979/000287/06

### SPECIFICATION REFERRED TO IN THE ATTACHED CONSEQUENTIAL LOSS POLICY (STANDING CHARGES)

#### (B) Insured Standing Charges Only - (as stated in the Schedule)

The Insurance hereby is limited to loss in respect of Insured Standing Charges due to

- (a) Reduction In Turnover  
and
- (b) Increase In Cost Of Working and the amount payable as indemnity thereunder shall be:
  - (a) in respect of Reduction In Turnover - The sum produced by applying the Rate Payable to the amount by which the Turnover during the Indemnity Period shall, in consequence of the Damage fall short of the Standard Turnover;
  - (b) in respect of Increase In Cost Of Working - The additional expenditure (subject to the provisions of the Uninsured Standing Charges clause) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which but for that expenditure would have taken place during the Indemnity Period in consequence of the Damage, but not exceeding the sum produced by applying the Rate Payable to the amount of the reduction thereby avoided;

less any sum saved during the Indemnity Period in respect of such of the Insured Standing Charges as may cease or be reduced in consequence of the Damage;

provided that if the sum insured by this item be less than the sum produced by applying the Rate Payable to the Annual Turnover (or to a proportionately increased multiple thereof where the maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

#### Definitions

##### Insured Standing Charges

The amount of the Insured Standing Charges, or if the business is showing a net trading loss, the amount of the said Insured Standing Charges less such a proportion of any net trading loss as the amount of the Insured Standing Charges bears to all the Standing Charges of the business.

For the specified Insured Standing Charges - see the Schedule.

##### Net Profit

The net profit (exclusive of all capital receipts and accretions, and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all STANDING and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

##### Turnover

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of business at the premises.

##### Indemnity Period

The period beginning with the occurrence of the Damage and ending not later than the maximum Indemnity Period, as stated in the Schedule, thereafter during which the results of the business shall be affected in consequence of the Damage.

Rate Payable - The percentage that the Insured Standing Charges bears to the Turnover during the financial year immediately before the date of the Damage.

##### Annual Turnover

The Turnover during the twelve months immediately before the date of the Damage

##### Standard Turnover

The Turnover during the period in the twelve months immediately before the date of the Damage which corresponds with the Indemnity Period

To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the Damage or which would have affected the business had the Damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the Damage would have been obtained during the relative period after the Damage



## **Clauses which apply to (A) Working expenses or (B) Standing Charges**

### **Alternative Trading Clause**

If during the Indemnity Period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover during the Indemnity Period.

### **Uninsured Standing Charges Clause**

In computing the amount recoverable hereunder as Increase In Cost Of Working, that proportion only of the additional expenditure shall be brought into account which the WORKING EXPENSES bear to the sum of the Working Expenses Net Profit and the Uninsured Standing Charges.

### **Rebate Clause (Applicable only if the Sum Insured Exceeds R1 000 000)**

The premium paid hereon may be adjusted on receipt by the Nominated Insurer of a declaration of Insured Standing Charges paid during the financial year most nearly concurrent with the Period of Insurance, as certified by the Insured's auditors.

If any damage shall have occurred giving rise to a claim for loss of Standing Charges, the abovementioned declaration shall be increased by the Nominated Insurer for the purpose of premium adjustment by the amount by which the Insured Standing Charges were reduced during the financial year solely in consequence of the Damage.

If the declaration (adjusted as provided for above and proportionately increased where the maximum Indemnity Period exceeds 12 months) is less than the Sum Insured on Standing Charges for the relative Period of Insurance the Company will allow a return of premium not exceeding 50% of the premium paid, by recalculating the premium in accordance with such declaration.

This Clause will have no effect unless a certified declaration is received by the Nominated Insurer within six months of the expiry of the Period of Insurance.

### **Claims Cost Clause**

This insurance includes costs and expenses incurred in producing and certifying any particulars or details required by the Company during the formulation of a claim under the policy, limited to:

- (a) additional fees paid to the Insured's usual auditors;
- (b) additional wages or salaries paid to the Insured's own employees;
- (c) cost of materials used.

### **Departmental Clause**

If the business be conducted in departments the independent trading results of which are ascertainable, the provisions of clauses (a) and (b) of the item(s) on Insured Standing Charges only shall apply separately to each department affected by the Damage except that if the sum Insured by the said item(s) be less than the aggregate of the sums produced by applying the rate for each department of the business (whether affected by the Damage or not) to its relative Annual Turnover (or to a proportionately increased multiple thereof where the maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

### **Salvage Sale Clause**

If following Damage giving rise to a claim under this policy, the Insured shall hold a salvage sale during the Indemnity Period, clause (a) of the Item on Insured Standing Charges only shall, for the purposes of such claim, read as follows:

- (a) in respect of Reduction In Turnover - The sum produced by applying the rate applicable to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the Standard Turnover, from which sum shall be deducted the Standing Charges actually earned during the period of the salvage sale.



## SASRIA GROSS PROFIT

Underwritten by SASRIA LIMITED  
Reg. No. 1979/000287/06

### POLICY FOR CONSEQUENTIAL LOSS (GROSS PROFIT) FOR SPECIAL RISKS INSURANCE

In consideration of the prior payment of the premium stated in the Schedule and the receipt of the premium by or on behalf of Sasria SOC Limited (hereinafter called Sasria), Sasria agrees, subject to the terms, conditions, provisions and exceptions in this policy wording or endorsed or otherwise expressed on it, to indemnify the insured for loss of Gross Profit resulting from interruption of or interference with the business carried on by the Insured as a result of loss or damage (hereinafter termed "Damage") to any building or other property or any part of it at the premises shown as the risk address in the schedule during the period of insurance by:-

- (i) 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;
- (ii) 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;
- (iii) Any riot, strike or public disorder, or any act or activity which is calculated or directed to bring about a riot, strike or public disorder;
- (iv) Any attempt to perform any act referred to in clause (i), (ii) or (iii) above;
- (v) The act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause (i), (ii), (iii) or (iv) above.

The term "Public Disorder" shall include civil commotion, labour disturbances or lockouts; (destruction, loss or damage so caused being hereinafter referred to as "damage") at any time before 24h00 of the last day of the period of insurance. **Sasria is striving for excellence, should we fail to deliver on our service promises, please contact [contactus@sasria.co.za](mailto:contactus@sasria.co.za) for any complaints or alternatively, you can send an email to: [complaints@sasria.co.za](mailto:complaints@sasria.co.za)**

#### Provided that:

- (a) When the damage happens, an insurance issued by Sasria covering the interest of the Insured in the property at the premises against such damage is in force and that Sasria has paid or has agreed to pay or has admitted liability for the damage in terms of the insurance. If payment of the material damage claim is denied solely because the insured carries a deductible larger than the material damage loss, then Sasria will nevertheless admit liability for the consequential loss under this policy.
- (b) The liability of Sasria shall not exceed the sum insured stated in the schedule nor shall it exceed the in total the total sum insured of all items stated in the schedule.

It is further provided that notwithstanding anything to the contrary, where One Insured is insured by one or more current or valid insurance (other than Contract Works and or Construction Plant and or Motor) issued by or on behalf of Sasria the aggregate liability of Sasria under all such insurances shall be limited to the sum of R500 million (five hundred million Rand), during any period of twelve consecutive months where the property insured is in the Republic of South Africa.

For this purpose, ONE INSURED shall mean:

Any Single One Insured, or a Holding Company and all its Subsidiaries (as contemplated exclusively by the Companies Act, 1973) or Subsidiary of the Holding Company. In the case of One Insureds other than Companies, Sasria reserves the right to determine who the One Insured is for this purpose.

#### Definition

- "Gross Profit"** - The amount by which the sum of the turnover and the closing stock shall exceed the sum of the opening stock and the uninsured working expenses. These uninsured working expenses vary from one business to another.
- "Net Profit"** - The net profit (exclusive of all capital receipts and accretions, and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all STANDING and other charges including depreciation, but before the deduction of any taxation chargeable on profits.
- "Additional Increase In Cost of Working"** - the expenditure necessarily and reasonably incurred by the Insured to ensure the continued operations of the business and for the sole purpose of avoiding a reduction in turnover during the indemnity period .
- "Indemnity Period"** - The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period as specified in the Schedule during which the results of the business shall be affected in consequence of the Damage.



**"Turnover" -** The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of business at the premises.

**"Working Expenses:** The amount by which Sasria is striving for excellence, should we fail to deliver on our service promises, please contact [contactus@sasria.co.za](mailto:contactus@sasria.co.za) for any complaints or alternatively, you can send an email to: [complaints@sasria.co.za](mailto:complaints@sasria.co.za) 3 (i) the sum of the amount of the TURNOVER and the amounts of the closing stock and work in progress shall exceed

- (i) the sum of the amount of the TURNOVER and the amounts of the closing stock and work in progress shall exceed
- (ii) the sum of the amounts of the opening stock and work in progress and the net profit and the amount of the SPECIFIED UNINSURED WORKING EXPENSES

The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with generally accepted accounting practice.

### Exceptions

This Policy does not cover:

1. Any loss, damage, cost or expense directly or indirectly arising from detention, confiscation, forfeiture, impounding or requisition legally carried out by customs, SA Police Services, crime prevention units or other officials or lawful authorities.
2. Loss resulting from 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 (Act No. 85 of 1976) or; any similar Act operative in any of the Republics to which this Policy applies.
3. Any loss resulting from damage sustained or incurred outside the Republic of South Africa.
4. Any loss resulting from damage related to or caused by:
  - (i) War, invasion act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
  - (ii) Mutiny, military rising, 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;
  - (iii) The act of any lawfully established authority in controlling preventing, suppressing, or in any way dealing with any occurrence referred to in clauses (i) and (ii) above
5. Any damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or consequential loss directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.  
For the purpose of this exclusion only combustion shall include any self -sustaining process of nuclear fission.  
The indemnity provided by this Policy shall not apply to nor include damage directly or indirectly caused or contributed to by or arising from nuclear weapons material.
6. The policy does not insure Contingent Business Interruption which shall mean the Insured's loss of net profit and / or contingent extra expenses resulting from an interruption of business at the premises of a customer or supplier or any other entity forming part of the Insured's supply chain, nor does the policy insure the consequences of interruption or interference caused by damage to public utilities serving the insured premises or by partial or total prevention of access to the insured premises.

### Nuclear/Chemical/Biological Terrorism Exclusion

It is agreed that, regardless of any contributory cause(s), this insurance does not cover loss(es) in any way caused or contributed to by an act of terrorism involving the use or release or the threat thereof of any nuclear weapon or device or chemical or biological agent or cyber.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and / or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or personal purposes or reasons including the intention to influence any government and /or to put the public, or any section of the public in fear. If it is alleged that by reason of this exclusion any loss (es) is not covered by this Coupon / Policy the burden of providing the contrary shall be upon the insured.

### Conditions

1. This policy shall be voidable in the event of misrepresentation, misdescription or non-disclosure in any material particular.
2. This policy shall be avoided if:
  - (a) The business be wound up or carried on by a liquidator or receiver or permanently discontinued or
  - (b) The Insured's interest ceases otherwise than by death at any time after the commencement of this insurance, unless it's continuance be admitted by memorandum signed by a Director of Sasria.
3. When the Insured becomes aware of the happening of any damage in consequence of which a claim is or may be made under this policy, the Insured shall immediately give notice thereof in writing to the Nominated Insurer and shall take immediate reasonable steps to minimise or check any interruption of or interference with the business or to avoid or diminish the loss. In the event of a claim being made under this policy the insured shall, not later than thirty days after the expiry of the Indemnity Period, or within such further time as Sasria may in writing allow, at his own expense deliver to the Nominated Insurer in writing a statement



setting forth particulars of his claim, together with details of all other insurances covering the damage or any part of it or Consequential Loss of any kind resulting there from. The Insured shall at his own expense also produce and furnish to the Nominated Insurer such books of account and other business books, vouchers, invoices, balance sheets and other documents, proofs, information, explanation and other evidence as may reasonably be required by the Nominated Insurer for the purpose of investigating or verifying the claim together with (if demanded) a statutory declaration of the truth of the claim and of any matters connected therewith. No claim under this policy shall be payable unless the terms of this condition have been complied with and in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to Sasria forthwith.

4. If the claim be in any respect fraudulent, or if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this policy or if any damage be occasioned by the wilful act or with the connivance of the Insured, all benefit under this policy shall be forfeited.
5. Any claimant under this policy shall at the request and at the expense of Sasria do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by Sasria for the purpose of enforcing any rights and remedies, or of obtaining relief or indemnity from other parties to which Sasria shall be or would become entitled or subrogated upon its paying for or making good any loss under this Policy, whether such acts and things shall be or become necessary or required before or after his indemnification by Sasria.
6. (a) If any difference shall arise as to the amount to be paid under this policy (liability being otherwise admitted) such difference shall be referred to Arbitration in accordance with the Arbitration laws for the time being in force in the Republic of South Africa, and at such place as Sasria may determine.  
(b) Where any difference or dispute is in terms of paragraph (a) above to be referred to Arbitration, the award of the Arbitrator(s) shall be final and binding and the making of such award shall be a condition precedent to any right of action against Sasria under this policy.
7. In the event of a claim being rejected by Sasria in writing, the Insured shall have a period of ninety days from the date of rejection in which to make representations to Sasria. Should the matter not be resolved and the Insured exercises his right to institute legal action, the Insured shall have a further 180 days in which to serve legal process on Sasria and pursue such proceedings to finality.
8. The policy may be cancelled at any time at the request of the Insured but in such cases no refund or pro-rata refund of premium shall become payable.
9. This policy and the schedule attached shall be read together as one contract and words and expressions to which specific meanings have been attached in any part of this policy or of the Schedule shall bear such specific meanings wherever they may appear.
10. This policy shall not be valid unless countersigned by the Nominated Insurer.

### Claim Preparation Costs

The insurance provided by this policy is extended to include costs reasonably incurred by the insured in producing and certifying any particulars or details required by Sasria in terms of Condition 3 or to substantiate the amount of any claim, provided that the liability of the company for such costs in respect of any one claim shall not exceed R50 000.

### Accountants clause

Any particulars or details contained in the insured's books of account or other business books or documents which may be required by Sasria under this section for the purpose of investigating or verifying any claim hereunder, may be produced and certified by the insured's auditors or professional accountants, and their certificate shall be prima facie evidence of the particulars and details to which it relates.

### Accumulated stocks clause

In adjusting any loss, Sasria will take into account and shall make a fair allowance if any shortage in turnover or revenue due to the damage is postponed because the turnover or revenue has been temporarily maintained from accumulated stocks.

### Salvage sale clause

If after an insured loss the insured hold a salvage sale during the indemnity period then Sasria will take into account any income earned thereby in so far as the loss of net profit may be affected.

### Rebate Clause (Applicable only if the Sum Insured Exceeds R1 000 000)

The premium paid hereon may be adjusted on receipt by the Nominated Insurer of a declaration of Gross Profit earned during the financial year most nearly concurrent with the Period of Insurance, as certified by the Insured's auditors.

If any damage shall have occurred giving rise to a claim for loss of Gross Profit, the abovementioned declaration shall be increased by the Nominated Insurer for the purpose of premium adjustment by the amount by which the Gross Profit were reduced during the financial year solely in consequence of the Damage.

If the declaration (adjusted as provided for above and proportionately increased where the Maximum Indemnity Period exceeds 12 months) is less than the Sum Insured on Gross Profit for the relative Period of Insurance Sasria will allow a return of premium not exceeding 50% of the premium paid, by recalculating the premium in accordance with such declaration.



This Clause will have no effect unless a certified declaration is received by the Nominated Insurer within six months of the expiry of the Period of Insurance.



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## SASRIA FIRE

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Underwritten by SASRIA LIMITED  
Reg. No. 1979/000287/06

### POLICY FOR SPECIAL RISKS INSURANCE

In consideration of the prior payment of the premium stated in the underlying policy schedule and the receipt thereof by or on behalf of Sasria Limited, (hereinafter called the company) and subject to the underlying policy being current and valid at the effective date as stated in the schedule, the company will by payment or at its option by reinstatement or repair indemnify the insured during the Period of Insurance up to an amount not exceeding the total sum insured in respect of each item and not exceeding in the aggregate during the period of insurance, the total insured value, or the aggregate limits of liability as stated in the proviso hereunder, whichever is the less against loss of or damage to the property insured directly related to or caused by:

- (i) 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;
- (ii) 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;
- (iii) any riot, strike or public disorder, or; any act or activity which is calculated or directed to bring about a riot, strike or public disorder;
- (iv) any attempt to perform any act referred to in clause (i), (ii) or (iii) above;
- (v) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause (i), (ii), (iii) or (iv) above.

#### Note:

In this policy, the term "Public Disorder" shall be deemed to include civil commotion, labour disturbances or lockouts. provided that:

Notwithstanding anything to the contrary, where One Insured is insured by one or more current and valid insurance (other than Contract Works and/or Construction Plant and or Motor) issued by or on behalf of the company, the annual aggregate liability of the company under all such Insurances shall be limited to the sum of R500 million (five hundred million Rand), or up to R1,5 billion, if the Insured has chosen the optional Excess of Loss R 1 billion cover, where the property insured is in the Republic of South Africa.

For this purpose One Insured shall mean:

Any single One Insured, a holding company and all its subsidiaries (as contemplated exclusively by the Companies Act, 1973) or subsidiary of the holding company

In the case of One Insured other than companies, the company reserves the right to determine who the One Insured is for this purpose. provided further that this insurance does not cover:

- (a) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured, which shall be limited to a period not exceeding that required to render the building tenable;
- (b) loss or damage resulting from total or partial cessation of work, or the retardation or interruption or cessation of any process or operation;
- (c) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisitioning by any lawfully constituted authority.

### Nuclear/Chemical/Biological Terrorism Exclusion

it is agreed that, regardless of any contributory cause(s), this insurance does not cover loss (es) in any way caused or contributed to by an act of terrorism involving the use or release or the threat thereof of any nuclear weapon or device or chemical or biological agent.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and / or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or personal purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public in fear. If it is alleged that by reason of this exclusion any loss (es) is not covered by this policy the burden of providing the contrary shall be upon the insured.

### Special Conditions

1. It is a condition precedent to any liability that at the time of the happening of any occurrence given rise to a loss in terms of this policy there shall be in force the Underlying policy covering the interest of the Insured in all the property insured by this policy against loss or damage by fire.
2. All the terms, conditions, exclusions, exceptions and warranties applicable to the underlying policy, other than:





- (a) Exception A(i), A(iii)(b), A(iv), A(v), A(vi) and A(vii) to the extent that A(vii) refers to A(i), A(iii)(b), A(iv), A(v) and A(vi);
- and
- (b) the Burden of Proof Clause set out in Exception A to the extent that such clause refers to the exceptions listed in (a) above;
- (c) any excess, deductible or similar payment to be met by the Insured in terms of the Underlying policy;
- (d) the Sasria policy incorporates the Terms, Conditions, Exceptions, Exclusions and Warranties of the underlying policy to which it attaches. It does not automatically incorporate the extensions. In order to cater for the Extensions, the Sasria sum insured must be increased by the value of the extension and a premium charged for the said extension. In this instance a schedule showing a breakdown of all additional covers included (together with the sum insured) must be attached to the policy, shall be deemed to be incorporated in this policy and shall as a condition precedent to any liability hereunder relate to and be complied with by the Insured accordingly.

### Memorandum

The reference to exceptions A(i), A(iii)(b), A(v), A(vi) and A(vii) and to the Burden of Proof clause in exception A is a reference to those exceptions as they appear in the Standard S.A.I.A. exceptions which the nominated Insurer is obliged to incorporate in his policy. Should the numbering in the underlying policy not correspond with the numbering of the Standard S.A.I.A. exceptions the above references shall apply to the corresponding exceptions in the underlying policy mutatis mutandis.

1. if the property covered in terms of the schedule shall at the commencement of any destruction of or damage to such property by any peril insured hereby be collectively of greater value than the total sum insured stated herein, then the Insured shall be considered as his 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 consideration.
2. any adjustment of premium clause or condition in the underlying policy shall not be applicable to this policy.
3. no alteration of this policy is valid unless signed by a director of the company.
4. any Reinstatement Value Conditions in the underlying policy shall be applicable to this policy except insofar as it relates to motor vehicles.
5. the cover granted by this policy shall apply to property situated in the Republic of South Africa.



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## SASRIA MOTOR

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Underwritten by SASRIA LIMITED  
Reg. No. 1979/000287/06

### THE POLICY

#### Definitions

Wherever the term "SASRIA" is used it shall refer to SASRIA Limited.

Wherever the word "property" is used, it shall be deemed to mean any motor car or vehicle, trailer, implement or machine of any description for specific operational purpose with or without means of self-propulsion capable of being driven or towed on any road and any accessories or spare parts whilst thereon.

WHEREAS the Insured has paid the premium stated in the schedule to this policy (which schedule shall form an integral part of this policy) to SASRIA as consideration for the insurance hereinafter contained in respect of loss or damage occurring during the period of insurance stated in the Schedule of this policy

NOW this policy declares subject to the terms, exceptions and condition contained herein that SASRIA will indemnify the insured against loss of or damage to the property described in the schedule directly related to or caused by:

- (i) any act (whether on behalf of any organisation, body, 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.
- (ii) 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.
- (iii) any riot, strike or public disorder, or any act of activity which is calculated or directed to bring about a riot, strike or public disorder.
- (iv) any attempt to perform any act referred to in clause (i), (ii) or (iii) above.
- (v) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause (i), (ii), (iii) or (iv) above.

#### Note:-

In this policy, the term "public disorder" shall be deemed to include civil commotion, labour disturbances or lockouts.

SASRIA may at its option repair or replace such property or any part thereof or may pay in cash the amount of the loss or damage not exceeding the reasonable market value of the property insured in the schedule of this policy subject always to Condition 8 of this policy. If the property insured is the subject of a hire purchase or similar agreement and the seller or lessor (hereinafter referred to as the "Owner") is interested in any monies which should be payable to the Insured under this policy in respect of loss or damage to the property insured (which loss or damage is not made good by repair or replacement)

Such monies shall if so requested in writing be paid in the said Owner and / or to the insured to the extent of their respective interests as long as they are interested in the said property, and their receipt shall be a full discharge of SASRIA in respect of such loss or damage. Save as herein expressly provided nothing herein shall modify or affect the rights and liabilities of the Insured or SASRIA under or in connection with this policy or any condition or term thereof.

In the event of any part accessory or fitment of whatsoever nature needed to repair or replace damage to the property insured being unprocurable in the Republic of South Africa, as a standard ready manufactured article or in the event of any such article being denied to the insured for any reason the liability of SASRIA shall be met by the payment of a sum equaling the value of the said article at the time of the loss or damage, but not in any case exceeding the manufacturer's last list price operative in the Republic of South Africa. If the property insured under this policy is disabled by reason of any loss or damage SASRIA will pay the reasonable cost of protection and removal to the nearest repairers. SASRIA will also pay the reasonable cost of the delivery to the insured after repair of such loss or damage not exceeding the reasonable cost of transport to the address of the insured in the Republic of South Africa.

#### Exceptions

This policy does not cover:

1. consequential loss from any cause whatsoever, depreciation of any nature which shall also mean diminution in value howsoever arising of the insured property consequent upon its having sustained damage insured against and continuing after the repair of such damage, wear and tear and mechanical or electrical breakdown, failure or breakage
2. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisitioning by any lawfully constituted authority



3. 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 any War Damage Insurance and Compensation Act (no 85 of 1976).
4. any loss or damage related to or caused by:
  - (i) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
  - (ii) mutiny, military rising, 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; and
  - (iii) the act of any lawfully established authority in controlling, preventing, suppressing, or in any other way dealing with any occurrence referred to in clause (i) or (ii) above.
5. any claims arising out of any liability assumed by the Insured by agreement, unless such liability would have attached to the insured in the absence of such agreement.
6. any loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or consequential loss directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exception only combustion shall include any self-sustaining process of nuclear fission

The indemnity provided by this policy shall not apply to nor include any loss, destruction or damage directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

#### **Nuclear/Chemical/Biological Terrorism Exclusion**

It is agreed that, regardless of any contributory cause(s), this insurance does not cover any loss(es) in any way caused or contributed to by an act of terrorism involving the use or release or the threat thereof of any nuclear weapon or device or chemical or biological agent.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and/or threat thereof, of any persons or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, or personal purposes or reasons including the intention to influence any government and/or to put the public, or any section of the public in fear

If it is alleged that by reason of this exclusion any loss(es) is not covered by this policy the burden of proving the contrary shall be upon the insured.

#### **Conditions**

##### **1. Claims Procedure**

On the happening of any loss or damage the Insured shall as soon as reasonably possible give notice thereof in writing to the Nominated Insurer. The Insured shall give to SASRIA all such proofs and information in connection with the claim as may reasonably be required.

##### **2. Subrogation**

The insured shall at the request and at the expense of SASRIA do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by SASRIA for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which SASRIA shall be or would become entitled or subrogated upon its paying for or making any loss or damage under the policy, whether such acts or things shall be or become necessary or required before or after the indemnification by SASRIA.

##### **3. Contribution**

If at the time any claim arises under this policy there is any other existing insurance covering the same loss or damage SASRIA shall not be liable to pay or contribute more than its ratable share of any loss or damage.

##### **4. Precautions**

The Insured shall take all reasonable steps to safeguard against loss or damage to the property described in the schedule to this policy.

##### **5. Transfer**

Nothing contained in this policy shall give any rights against SASRIA to any person other than the Insured. SASRIA shall not be bound by any passing of the interest of the Insured otherwise than by death or operation of law.

##### **6. Arbitration**

- (a) if any difference shall arise as to the amount be paid under this policy (liability being otherwise admitted) such difference shall be referred to arbitration in accordance with the arbitration laws for the time being in force in the Republic of South Africa, and at such place as SASRIA may determine.
- (b) where any difference or dispute is in terms of paragraph (a) above to the referred to arbitration the award of the arbitrator(s) shall be final and binding and the making of such award shall be a condition precedent to any right of action against SASRIA under this policy.

##### **7. Limitation**

In no case whatsoever shall SASRIA be liable under this policy after the expiration of 12 (twelve) months from the happening of the event unless the claim is then the subject of arbitration, or court proceedings already instituted.



#### 8. Average

If the property insured hereby shall at the commencement of any destruction or damage to such property be of greater value than the total value on risk appearing in the schedule to this policy in the case of the motor dealer or fleet owner then the insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly.

#### 9. Total Loss Of Property

If any motor car or other vehicle described in the definition the "property" above be treated as a total loss by SASRIA then all cover in terms of this policy shall terminate in respect of such motor car or vehicle from the date of such total loss and no refund or premium shall be payable to the Insured.

#### 10. Premium

Notwithstanding that the period of insurance stated in the schedule to this policy may be less than 12 (twelve) months the minimum premium payable by the Insured shall be the full annual premium.

#### 11. Validity

This policy shall not be valid unless countersigned by the nominated Insurer.

#### 12. Alteration Of Use Of Property Insured

SASRIA shall not be liable in respect of any loss of or damage to the property if at the time of such loss or damage the property was being used by the Insured or any person acting with the knowledge of the insured in any manner which would ordinarily have required the property to be insured in a higher rated category than that used for determining the premium shown in the schedule.

#### 13. Territorial Limitation

The cover is restricted to property within the Republic of South Africa.

#### 14. Cancellation

This policy may be cancelled at any time at the request of the insured, but in such cases no refund or pro-rata refund of premium shall become payable.

#### 15. Fraud

If the claim be in any respect fraudulent and if any fraudulent means or devices be used by the insured or anyone acting on his/her behalf to obtain any benefit under this policy and if any destruction or damage be occasioned by the willful act and with any connivance of the Insured, all benefits under this policy shall be forfeited.

#### 16. Misrepresentation

This policy shall be voidable in the event of any material misrepresentation, misdescription or non-disclosure.

#### 17. Reporting Events to Authorities

All events which may give rise to a claim in terms of this policy must be reported to the South African Police as soon as reasonably possible.

