

## VUM Taxi - Policy Wording

**VUM Taxi** is a unique insurance product that has been designed to insure vehicles carrying fare-paying passengers.

This Policy Wording will explain the following to you :

- What is covered
- What is not covered
- Examples to help explain practical ways in which the cover is applied

This is a plain language document, ensuring that it is easy to read and conveys the details of your policy in the clearest possible way.

### Meaning of words used in this Policy Wording

**“You or Your”** - Refers to the Insured as stated in the Policy Schedule.

**“We or Us”** - Refers to the Insurance Company as stated in the Policy Schedule.

Please read through this Policy Wording together with your Policy Schedule, to make sure you understand the scope of your cover.

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## A) General Conditions

All these General Conditions, as well as the Claim Conditions on page 3 are material and apply to all aspects of your Policy, and it is critical that you comply with them. We may decline your claim if you fail to comply with any of these conditions.

### The Basis of Our Contract

This document together with your Policy Schedule and any written correspondence form the basis of the contract between you, the Policy Holder, and us, the Insurer. It is important that you read and understand these documents and that you make sure that all the information supplied by you, or anyone acting on your behalf, is correct. Any incorrect information may affect the validity of this contract. Your Policy starts when we agree the cover, premium, terms, conditions and commencement date with you in writing. If there are any conflicts in understanding between this Policy Wording and your Policy Schedule, the wording communicated in your Policy Schedule will override this Policy Wording.

### Sharing of Information

We respect the confidentiality of your information, however in order to ensure sound insurance practice and prevent insurance fraud we confirm that we may disclose relevant information relating to claims and financial history. This is applicable to anyone who is covered under your Policy.

### Territorial Limits

The cover granted by your Policy applies only within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Zambia and Mozambique.

### Premium Payments

Your premiums must be paid on either the **1<sup>st</sup>, 8<sup>th</sup> or 15<sup>th</sup> of each month** for monthly paid policies, and on the inception date reflected on your Policy Schedule for annually paid policies. In the case of policies paid annually, if the premium is not paid on this date, you have a further 15 days' grace period to pay the premium, failing which you will have NO COVER for the period for which you did not pay.

If your chosen method of payment is by Debit Order (Automatic Payment Order), the Bank Account to be debited will reflect on your Policy Schedule and the Debit Day for monthly paid policies will be either the **1<sup>st</sup>, 8<sup>th</sup> or 15<sup>th</sup> of each month**. If the 1<sup>st</sup>, 8<sup>th</sup> or 15<sup>th</sup> of any particular month is not a business day, the debit will take place on the next business day of that particular month. Should the Debit Order be returned unpaid by your Bank for whatever reason, we will attempt another Debit Order on the next applicable debit day, either the **8<sup>th</sup>** or the **15<sup>th</sup>** of that month (or the next business day if the 8<sup>th</sup> or 15<sup>th</sup> is not a business day). Should this Debit Order also be returned unpaid by your Bank, there will be NO COVER for that particular month.

### Policy Cancellations

You may cancel your Policy at any time and with immediate effect. We may cancel your Policy by giving you 30 days' notice in writing.

Your Policy will automatically be cancelled when your premiums are not paid for two consecutive months for a monthly policy, and if the premium is not paid within the 15-day grace period for an annual policy. The Policy cancellation will be effective at midnight on the last day of the monthly or annual period wherein the premium was last paid.

### Policy Changes

You may make changes to your Policy at any time. Any change you make will be effective from the time and date agreed to. We may change your Policy by giving you 30 days' notice in writing.

### Your Responsibilities

- In order to have cover you need to give us true and complete information when you apply for cover, submit a claim or make changes to your Policy. This also applies when anyone else acts on your behalf.
- You must inform us immediately of any changes to your circumstances that may influence whether we give you cover, the conditions of cover or the premium we charge, for example you must inform us of the following :

- Any changes to any information on your Policy Schedule
  - Any changes to your financial position, or that of any member, partner or director, specifically relating to defaults, civil judgements, administration orders, sequestrations, liquidations and solvency of companies in which you have an interest
  - Any convictions for offences by any person covered under this policy relating to dishonesty, reckless and negligent driving or driving under the influence
- You must take all reasonable steps to :
- Prevent or minimise accidents, bodily injury, illness, loss, or damage
  - Safeguard the insured vehicle to the best of your abilities
  - Maintain the insured vehicle in good condition and repair

## B) The ZUZIMALI Cash Back benefit

- The ZUZIMALI Cash Back benefit rewards you with a cash refund of 10 % of premiums paid (less Broker's Commission and Policy Fees).

### Benefit Conditions

- The benefit is payable after a continuous 36 month period of cover, as long as no claims were submitted during this period. Your Policy must be in force at the end of the 36 month period of cover. There will be no pro rata benefit payable should your Policy be cancelled for any reason before this period expires.
- The benefit will be paid during the month following the end of the 36 month cycle. Your new cycle will start on the day after your previous 36 month cycle ends.
- Any claim submitted retrospectively once your ZUZIMALI Cash Back Benefit has already been paid will be reduced by the amount of the Benefit paid out.
- ✗ Your ZUZIMALI Cash Back Benefit will not be reinstated even if a successful claims cost recovery is made.
- ✗ Should you decide to withdraw a claim in order to protect your ZUZIMALI Cash Back Benefit, your ZUZIMALI Cash Back Benefit will be paid, and the withdrawn claim will not be entertained at any later stage.

## C) Claim Conditions

- We have the choice to settle your claim in any of the following ways :
- Paying out cash to you
  - Repairing the damage at a repairer of our choice
  - Replacing the item at a supplier of our choice
  - Any combination of the above
- Where any item claimed for is financed, we will first pay the finance company.
- Where a claim is settled for lost or damaged items, these items become ours.
- You need to report your claim or any incident that might lead to a claim to us as soon as possible, but not later than 30 days, after any incident. This includes incidents for which you do not want to claim but which may result in a claim in the future. For example if your car is involved in an accident with another car and there is no apparent damage to either car, we still need to know about this incident so that we can take steps to limit the effects of any claim which may be made by the other person.
- You need to report any lost items, fire, theft, attempted theft or damage caused intentionally to the police within 24 hours of you becoming aware of the incident.
- You must take preventative action following an incident to prevent or minimise future loss, damage, injury or liability.
- You need to give all information and documentation we require within the time frame we set. This information must be true and complete, as any information which is misleading or false will prejudice the claims process.
- You need to provide proof of ownership and value of any item that you are claiming for.

- You must make damaged items which you are claiming for available for inspection in order to substantiate the extent and nature of the damage.
- Before doing any non-emergency repairs you must first get our approval.
- You must never admit guilt nor offer settlement to any other party involved in an incident in which you are involved. We will not be bound by any admission or offer you make to any person in relation to any incident.
- You need to comply with our reasonable instructions and requests. For example after we have settled your claim for your stolen vehicle, we may need your assistance in identifying it, should the police recover it.
- The Excess is the amount you contribute for each and every claim and is noted in your Policy Schedule. You still need to pay the Excess even though you did not cause the accident.
- Dual Insurance - if there are any other insurance policies giving the same cover as in this policy we will pay our pro-rata portion of any claim. This does not apply to Personal Accident cover.
- When you submit a claim, we can act on your rights or obligations against other people to recover costs or to defend any claim they may have against you. This principle is called subrogation.
- If you dispute the outcome of your claim you have 90 days from the day you are first informed of the outcome to notify us about your objection. Immediately following this, you have a further 180 days in which to serve a summons on us, failing which your right to challenge the decision is forfeited.
- If you or anyone acting on your behalf submits a claim, or any information or documentation relating to any claim that is in any way fraudulent, dishonest or inflated, we will reject that entire claim and cancel your policy retrospectively to the reported incident date or the actual incident date, whichever date is earliest. You will also be required to reimburse us for any expenses we incur relating to the claim.
- This Policy is regulated by the law and is subject to the jurisdiction of the courts of South Africa. Compensation is excluded for damages in judgments awarded outside South Africa, including costs and expenses involved in that process.

## D) What is NOT covered by the Policy

This policy does not cover any loss, damage, liability or injury directly or indirectly arising from any of the following :

- ✗ War and public disorder
- ✗ War or war-like acts
- ✗ Military uprisings, usurped power, rebellion or revolution
- ✗ Civil commotion, labour disturbances or public disorder
- ✗ Any act of terrorism by any person or group, whether acting alone or under instruction
- ✗ Violence relating to taxi route or area disputes
- ✗ Confiscated property - Property that has been legally retained or confiscated
- ✗ Pollution, contamination, radioactive material, nuclear material or nuclear waste
- ✗ Wear-and-tear and breakdown :
  - Any cause that was not sudden and unforeseen
  - Gradual deterioration, including rising damp, wear-and-tear, rust, mildew or fading
  - Mechanical, electrical or electronic breakdown, defect or failure
  - Damage to consumable parts or parts with a limited lifespan
  - Damage recoverable under any maintenance or lease agreement
  - Servicing, maintenance, cleaning, repairing, restoring, dyeing, bleaching or alteration

- ✘ Contracts :
  - Breach of contract
  - Liability arising from a contract, unless you would have had the same liability had you not entered into the contract
- ✘ Selling your possessions - When selling your possessions, you need to have prior confirmation by your bank that valid and legal payment for the sale has been made before giving the property to the other person to avoid the use of fraudulent cheques or counterfeit money
- ✘ Consequential loss - Any consequential loss or damage not directly caused by an insured peril unless specifically noted
- ✘ Illegal activities - The use of the insured property for, or in connection with, the commission of any offence. This includes any incident relating to obtaining, using or soliciting narcotics
- ✘ There is no cover if the loss occurs outside the period of insurance as stated in your Policy Schedule
- ✘ Theft and malicious damage caused by you, any members, partners, directors or employees

## E) Motor Cover

### Definition of Motor :

The term MOTOR means any SA registered passenger vehicle, commercial vehicle designed for carrying passengers and trailers, as noted on your Policy Schedule.

- ✘ There is no cover for :
- Vehicles used for emergency services, traffic control and armed response services
  - Heavy Commercial Vehicles with a Gross Vehicle Mass of more than 10 000kg
  - Law enforcement vehicles
  - Hazardous goods
  - Vehicles rented out to Third Parties

### The Basis of Cover :

The Retail Value as determined by the "TransUnion Auto Dealers' Guide" is the maximum amount we will pay for any claim, less the Excess and any Dual Insurance, Betterment, Old Damage or Adjustments applicable. Any additional non factory-fitted extras and accessories must be specified by you for them to be covered.

If the vehicle is hijacked, stolen or written-off, the claim settlement value will be calculated as follows :

- The Retail Value as stated in the "TransUnion Auto Dealers' Guide" for the month that the claim occurred;
- Plus any specified Fitted Extras, as well as specified Conversion Costs, depreciated at 1.25 % per month from cover inception;
- Less any adjustment as per the Kilometers and Condition Chart in the above Guide, as well as any old damage as determined by the appointed Assessor;
- Less the Excess applicable stated in the policy schedule

If the Vehicle does not have a Retail Value reflected in the TransUnion Auto Dealers' Guide, then the Sum Insured will be depreciated on a monthly basis by the amount of 20 % per annum (1.67 % per month), commencing from the date of inception of cover, or from the latest adjustment to the Sum Insured, whichever is the most recent. This depreciation will be calculated on an annual basis, the adjusted Sum Insured will apply after each 12 month period.

### Vehicle Use :

The use of the insured Vehicle must be consistent with your business activity, namely the carrying of fare-paying passengers. Vehicles are defined as follows :

- **Minibus** - Vehicles designed for carrying no less than 7 and no more than 18 passengers, including the driver
- **Midibus** - Vehicles designed for carrying no less than 19 and no more than 36 passengers, including the driver.
- **Sedan Taxi** - Vehicles designed for carrying no more than 7 passengers, including the driver.
- **Metered Taxi** - Vehicles designed for carrying no more than 7 passengers, including the driver and is fitted with a distance and/or time meter for the purpose of calculating the fare that is owed by the passengers

### Your Responsibilities :

In order to have continuous cover and a valid claim, you need to adhere to the following :

**Prevent Further Loss or Damage** - Take reasonable, necessary steps to prevent or minimise loss, damage, injury or liability. For example your car is involved in an accident where the oil sump is damaged. Despite the oil level warning light coming on, you continue driving, and this causes engine damage. The damage to the engine is not covered.

**Driver's Responsibilities** - Always ensure that anyone driving an insured vehicle adheres to the policy's terms and conditions. For example if one of your employees drives an insured vehicle and is involved in an accident while under the influence of alcohol, there may be no cover.

**Important Changes** - Inform us immediately of all important changes such as when :

- The physical address of the place at which an insured vehicle is kept overnight changes

- The keys or spare keys of an insured vehicle are lost, stolen or reasonably suspected to be in the hands of unauthorised persons

### Vehicle Cover Options Available :

You can insure your vehicle for any one of the following :

- 1.1 - COMPREHENSIVE COVER
- 1.2 - THIRD PARTY, FIRE AND THEFT COVER
- 1.3 - THIRD PARTY ONLY COVER

#### 1.1 COMPREHENSIVE COVER

You are covered for accidental damage to your own vehicle as well as injury to other people and damage to their property. Your vehicle is also covered for theft and hijack or any attempt thereat.

#### Insured Events :

- Loss of or damage to the vehicle as a result of :
  - An accident or other sudden and unforeseen event (including theft, hijacking, or any attempt thereat)
  - Fire, lightning, explosion, earthquake and acts of nature such as storm, wind, water, thunderbolt, sleet, hail, flood or snow
- Towing, Storage and Wreckage Removal - The reasonable costs to tow an insured vehicle and/or to store it at the nearest repairer, or costs incurred for the removal of the wreckage, following an incident for which a valid claim can be lodged, subject to the limit stated in your Policy Schedule.
- Liability to Third Parties - This covers legal liability following a vehicle accident which causes death or bodily injury to other people or damage to their property. This includes legal costs which someone else can recover from you and which we agree to pay in order to settle or defend a claim against you. The maximum amount that you can claim for is noted in your Policy Schedule.

#### 1.2 THIRD PARTY, FIRE & THEFT COVER

You are covered for damage to your own vehicle caused by fire as well as for injury to other people and damage to their property. Your vehicle is also covered for theft and hijack. Accidental damage to your own vehicle is not covered.

#### Insured Events :

- Loss of or damage to the vehicle caused by :
  - Fire
  - Theft or hijack (including attempted theft or attempted hijacking) of the vehicle
- Towing, Storage and Wreckage Removal - The reasonable costs to tow an insured vehicle and/or to store it at the nearest repairer, or costs incurred for the removal of the wreckage, following an incident for which a valid claim can be lodged, subject to the limit stated in your Policy Schedule.
- Liability to Third Parties - This covers legal liability following a vehicle accident which causes death or bodily injury to other people or damage to their property. This includes legal costs which someone else can recover from you and which we agree to pay in order to settle or defend a claim against you. The maximum amount that you can claim for is noted in your Policy Schedule.

#### 1.3 THIRD PARTY ONLY COVER

#### Insured Events :

- Liability to Third Parties - This covers legal liability following a vehicle accident which causes death or bodily injury to other people or damage to their property. This includes legal costs which someone else can recover from you and which we agree to pay in order to settle or defend a claim against you. The maximum amount that you can claim for is noted in your Policy Schedule.

#### What is NOT covered by the Policy :

- ✘ If any person drives the vehicle :
  - Without a valid driver's licence or permit for the specific vehicle type
  - With a licence that is endorsed for drunken or reckless and negligent driving
- ✘ If any person who drives the vehicle has a concentration of alcohol in the blood exceeding the legal limit, or fails a breathalyser test, or refuses to give either a breath or blood sample, or is under the influence of drugs.
- ✘ Where the vehicle is transporting any hazardous goods or explosives.
- ✘ Where the vehicle is used for any form of racing or competition, or for rental.
- ✘ Where the vehicle is in the possession of another party who is selling it on your behalf.
- ✘ Un-roadworthy or overloaded vehicles :
  - Where an insured vehicle is involved in an accident and it does not meet the roadworthy requirements as stated by road traffic legislation
  - Where an insured vehicle is carrying a load of passengers or goods exceeding the capacity for which it was constructed or licensed to carry
- ✘ Intentional loss or damage - Damage to the vehicle caused intentionally by you, the driver, any of your members, partners, directors, principals or any resident at your premises which occurs with your knowledge or consent.
- ✘ Theft caused by you, any of your members, partners, directors, principals or any resident at your premises.
- ✘ Passenger Liability - There is no cover for death or bodily injury suffered by :
  - The driver, members of your household, partners, directors, principals or any of your employees
  - Any passenger in the vehicle who is not in a permanently enclosed compartment designed by the original vehicle manufacturer to carry passengers
  - Any passenger in or on the vehicle which is a commercial vehicle, trailer or caravan, including getting on or off these vehicles
  - Any person in or on a vehicle that is being towed
  - Any passengers being carried on any road outside of the Republic of South Africa
- ✘ Unauthorised Passenger Liability - There is no cover for death or bodily injury to persons entering, travelling in, or alighting from an insured vehicle in contravention of your instructions to your drivers not to carry such persons.
- ✘ Liability for loss of or damage to :
  - Property owned by you or in your custody or control
  - Property owned by any member of your household
  - Property being conveyed by, loaded from, or loaded onto a vehicle
  - A vehicle being towed by the Insured vehicle
- ✘ Liability where your vehicle claim was rejected - Any incident which causes damage to other people's property or injury to them and where the claim for loss of or damage to the vehicle itself is not covered. For example if the driver is under the influence of alcohol and causes an accident and we reject the claim for damage to the vehicle, any liability claim for damage to the other person's property will also be rejected.
- ✘ Liability cover given by legislation or covered by any other insurance contract.



**Optional Cover Available :**

The following is only covered if it is noted in your Policy Schedule and the additional premium is charged;

- **Audio Visual Equipment** - You need to specify your audio and visual equipment. The Sum Insured and Excess applicable will be shown in your Policy Schedule.
- **Fitted Extras and Conversion Costs** - Loss of or damage to any specified non-standard (i.e. those that are not factory fitted) extras, as well as any specified Conversion Costs, will only be covered if they are noted in your Policy Schedule. For example, items such as mag rims, tow-bars, bull-bars, boot spoilers, vehicle sign writing and cell phone car kits need to be specified.

If there is an amount reflected under Taxi Conversion Cost and/or Vehicle Extras Value in the above schedule, this amount will be depreciated on a monthly basis by the amount stated in your Policy Schedule.

- **Passenger Liability** - This covers legal liability following a vehicle accident which causes death or bodily injury to any fare paying passenger entering, travelling in, or alighting from an insured vehicle. The maximum amount that you can claim for is noted in your Policy Schedule. The Passengers must be in an enclosed compartment of the vehicle, designed to carry passengers.

➤ **Fixed Expenses Extension**

In the event of a claim under this policy we will pay to you a set amount per week, up to a maximum number of weeks, both of which will be specified in the Policy Schedule. This amount is to be calculated pro rata as follows :

- For repairable vehicle claims - Beginning 7 (seven) days after the date of authorisation of the repair, until the day that the vehicle is available for collection.
- For total loss accident claims - Beginning 7 (seven) days after the date that the assessor's report is received, until the claim is settled.
- For total loss theft and hijacking claims - Beginning 7 (seven) days after the date that we appoint an Investigator, until the claim is settled.
- Provided that we will not be liable if the repair costs are equal to or less than the policy Excess.
- We will not be liable for any delays caused by you.

➤ **Personal Accident Extension**

We agree to pay the amount specified in the Policy Schedule as compensation in the event that the Insured Person is killed or Permanently and Totally Disabled as the result of an accident involving the insured vehicle.

Definitions :

- Insured Person shall mean the driver and/or the passengers in the insured vehicle at the time of the accident, as specified in the Policy Schedule
- Insured vehicle shall mean the vehicle stated in the Policy Schedule

<b>Permanent Total Disability shall mean</b>	<b>Percentage of compensation</b>
Permanent and total loss of all sight of both eyes	100%
Total loss by physical severance at or above the wrist or ankle of both hands or both feet or of one hand and one foot	100%
Total loss by physical severance at or above the wrist or ankle of one hand or one foot and permanent and total loss of sight of one eye	100%

Permanent and total loss of all sight in one eye	50%
Total loss of or physical severance at or above the wrist or ankle of one hand or one foot	50%
Injury resulting in total and absolute incapacity from following usual business or occupation for which the Insured Person is fitted by knowledge or training	100%

**What is not covered by this Optional Extension:**

We will not be liable for :

- ✘ permanent Total Disability benefits in respect of any passenger
- ✘ any compensation unless death or Permanent Total Disability occurs within twelve months of the date of the accident
- ✘ compensation following suicide or any attempted suicide or intentional self-injury
- ✘ compensation following taxi violence or wars between individuals or groups involved in the taxi industry or any act calculated to bring about any of these situations or any act of any lawfully established authority in dealing with any of these situations
- ✘ compensation if it is determined that the accident was directly caused by the Insured Person being under the influence of intoxicating liquor, drugs or narcotics
- ✘ Un-roadworthy or overloaded vehicles :
- ✘ Where an insured vehicle is involved in an accident and it does not meet the roadworthy requirements as stated by road traffic legislation
- ✘ Where an insured vehicle is carrying a load of passengers or goods exceeding the capacity for which it was constructed or licensed to carry

Conditions:

- It is agreed that after suffering accidental bodily injury for which payment may be made as compensation under this extension, the injured individual will willingly submit to medical examination and/or treatment if requested to do so by us. No claims will be paid unless this requirement is met.
- In the event that an accident results in a death for which a payment of compensation should be made under this extension, a post mortem may be conducted at our expense.
- It is understood that it is solely at our discretion whether payment will be made to the Insured Person, his immediate family or legal representative, or the Owner of the Insured Vehicle, or a Funeral Service company.

➤ **Abscondment, Violation, Credit Shortfall (AVCS) Extension or Credit Shortfall Only**

**Definitions :**

**Statutory Settlement Balance** - The amount of money owed to the finance house, payment of which is required in order to settle the loan, as specified by the credit agreement whilst allowing you to keep possession of the financed vehicle. This amount is excluding any arrear instalments, interest and/or finance charges on such arrear instalments and any early settlement penalties.

**Maximum Indemnity** - the Sum Insured or the Market Value of the Vehicle, whichever is the lesser, or the Statutory Settlement Balance, whichever is the greater.

## DEFINED EVENTS COVERED BY THIS EXTENSION

### Abscondment

Abscondment is considered to be in effect when the Finance House does not know where the insured and the insured vehicle are and is unable to locate them. Action must be taken by the Finance House to locate the insured and the insured vehicle no later than 20 days after the last payment was due but was not paid. If the Finance House is unable to find the insured within 30 days after this 20 day time period is complete, we must be notified immediately of a possible abscondment and the Finance house will have a further 90 days to locate the insured and the insured vehicle. If neither is located, we must be immediately notified once again.

In the event of a valid claim for Abscondment we will pay to the Finance House the Statutory Settlement Balance as defined above, less :

- The First Amount Payable (Excess) as stated in the Schedule of Insurance
- Any amount paid by us in terms of Loss or Damage to the Vehicle
- Any amount refundable to the Insured in terms of the credit agreement as at the date of loss by way of, but not limited to, insurance premiums, including credit life or motor warranty premiums
- Any further or additional amounts added to the principal debt in terms of the Credit Agreement after its date of commencement, and any finance charges and interest thereon

### Specific Conditions

In the event of a valid claim for Abscondment the Financial Institution shall :

- Provide us with proof, information and affidavits as we may require to process the claim
- Assist us in any recovery action instituted by us against the insured or any third party responsible for the loss or damage which action may proceed in the name of the Financial Institution and/or identification of the Vehicle stolen and recovered and the prosecution of those responsible
- Provide the Company with and/or authorize the Company to obtain a copy of the Credit Agreement and a statement of the account with the Financial Institution reflecting a full transaction history.

### Violation

Notwithstanding the Terms, Exceptions and Conditions of the policy it is hereby agreed that, where you have unintentionally violated such Terms, Exceptions or Conditions, we will process any claims as if there had been no violation only as it applies to the following aspects of the policy :

- Where the driver's existing professional driving permit has expired
- Where the conditions of the Tracking Device Warranty in this policy have not been fulfilled
- Where a single month's comprehensive premium has not been paid
- Where the Vehicle is repossessed by the Financial Institution and is damaged, written off or stolen during the period of Insurance and a term or condition of the Policy is violated or not complied with by the Insured, we will make settlement to the Financial Institution as per terms and conditions governing normal claims procedures whether the vehicle is repairable or written off or stolen or hijacked

### Provided always that

We shall only be liable to pay one Violation of Conditions claim where the claim arises from the Insured's inadvertent non-payment of a single month's Comprehensive premium and provided that the Insured has paid premium for at least 3 (three) consecutive months immediately prior to the month of non-payment.

At the time of a claim, where the driver's existing professional driving permit has expired, proof that the application for a new permit was submitted before the expiry of the existing permit and is still pending a

decision by the relevant Traffic Department. The cover in terms of this Extension of this Policy is limited to Events occurring in the Republic of South Africa

**Vehicle Credit Shortfall** - You have a credit shortfall when the amount you owe in terms of a finance agreement (as defined in the Credit Agreements Act) with a finance company exceeds the insured value we pay to settle a claim. For example if your car is stolen and we settle the amount of R100 000, and you owe your bank R120 000 in terms of a finance agreement, we will settle the difference by paying it to the bank. The vehicle must :

- Be uneconomical to repair or
- Have been stolen or hijacked and not recovered

✘ What is not covered under Vehicle Credit Shortfall cover :

- Any refundable amounts added to your finance agreement over and above the purchase price of the vehicle. This includes insurance premiums, motor warranties and maintenance programmes which must be refunded to you by the company that administers the policy or warranty.
- The credit shortfall on vehicle sound equipment or non-standard vehicle accessories which are not specified in your Policy Schedule and which form part of the finance agreement.
- The Excess on your vehicle claim, arrear instalments due and interest on them, additional finance charges and any early settlement penalties.
- Any finance agreement where the amount of any single instalment differs by more than 10% from any other instalment (except for any final residual payments).
- Any shortfall resulting from re-advances under an instalment sale or re-financing in terms of a lease.

➤ **New for Old Cover Extension**

If the insured vehicle is damaged beyond economical repair in an accident, or hijacked or stolen and not recovered, and the settlement is on a Total Loss basis, then the following will apply :

- For vehicles up to 6 months old (calculated from the date the vehicle is first licensed) :  
The insured vehicle will be replaced with a new vehicle of the same model. If a vehicle of the same model is no longer available, then a vehicle as close as possible in specification to the insured vehicle will be provided. The Excess that would normally apply is payable by the Insured.
- For vehicles more than 6 months old (calculated from the date the vehicle is first licensed) :  
The amount as stated in the Schedule will be paid as a deposit for a replacement vehicle.

**Specific Conditions relating to this Cover Extension :**

- 1) VUM will not pay the above benefit if the Total Loss claim has been rejected for any reason.
- 2) In the event of a claim under this Cover Extension, you must provide VUM with such proof as may be required to process the claim.

# SASRIA LIMITED

## ANNEXURE 15

### MOTOR POLICY OF INSURANCE FOR SPECIAL RISKS

#### in respect of property as defined

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## THE POLICY

## DEFINITIONS

1. Wherever the term "Sasria" is used it shall refer to Sasria SOC 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. The policy will cover for third party only if the third party vehicle does not have Sasria cover and the loss or damage to property happened as a result of the Sasria peril

NOW this Policy declares subject to the terms, exceptions and conditions 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.

(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 retail 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 would be payable to the Insured under this Policy in respect of loss of 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 to 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 legislation.
4. Any loss or damage related to or caused by:

(i) war, invasion, act or 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 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.

## 7. 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 Coupon / Policy the burden of providing the contrary shall be upon the insured.

## CONDITIONS

### 1. Claims Procedure

On the occurrence 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 the Sasria Company 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 good 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 rateable 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 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. Limitation

In no case whatsoever shall Sasria be liable under this Policy after the expiration of 12 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 ratable share of the loss accordingly.

### 9. Total Loss of Property

If any motor car or other vehicle described in the definition of "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 of 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 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 and if the property is in Namibia temporarily, that is for not more than 60 days.

#### **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 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 benefit 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 Claims 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.

### **SPECIFIC CONDITION**

If, during the currency of this section, any driver's licence in favour of the insured or their authorised driver is endorsed, suspended or cancelled, or if he 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 have knowledge of such fact.

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