

# **BUSINESS INSURANCE**

TERMS & CONDITIONS

auto  general

The Readability Mark means that this document complies substantially with specific readability criteria lodged with the Registrar of Trademarks.



They include plain language, logical structure, a clean layout and descriptive headlines. The Mark was awarded by Plain Business Writing (Pty) Ltd.

# Contents

VERSION: 24 MARCH 2020

General Terms and Conditions	2
Fire	6
Business Interruption	9
Buildings Combined	13
Office Contents	16
Accounts Receivable	19
Theft	20
Money	21
Fidelity Guarantee	22
Glass	23
Electronic Equipment	24
Business All Risk	26
Goods in Transit	27
Accidental Damage	29
Public Liability	30
Employers' Liability	34
Group Personal Accident	35
Motor – Comprehensive	39
Motor – Third Party, Fire and Theft	42
Motor – Third Party Only	45
Motorcycle	47
Trailer	48
Golf Cart	49
Machinery Breakdown	51
Machinery Breakdown Business Interruption	53
Deterioration of Stock	56

# General Terms and Conditions

These terms and conditions apply to all aspects of your policy.

## What makes up your policy of insurance

The schedule, general terms and conditions and the policy wording, together with any correspondence sent to you, as well as any verbal agreements we make, form the policy of insurance between you and us. Please ensure that you are familiar with the contents of all the documents and that all the details noted on the schedule are correct in every respect.

## References in this policy to “you”

Please note that all references to “you” in the policy book indicate the people/person responsible for owning/running the business, whether it is a company, close corporation, partnership or sole proprietorship.

## How we indemnify you

Subject to the terms of your policy, we have the option to pay, replace or repair (or any combination of these) through a supplier or repairer of our choice.

## Policy changes and cancellation

We may change or cancel your policy by giving you 31 days' notice. We may give this notice verbally, by fax, e-mail or post to your last-known address. Any change or cancellation that you make will be effective from the time and date agreed to. Please note that if you cancel your policy during the course of an insured month, the premium paid for the rest of that month will not be refunded to you.

If you cancel your policy or any part thereof because you also have cover for the same item/s with another insurer, or your vehicle was sold, stolen or written off, or for any other reason, then your premium refund will be limited to premiums actually paid in the 12 months prior to cancellation.

## Payments

Your policy is a monthly policy and you must make the monthly payments in advance on the agreed deduction date stated on the schedule. If your deduction date falls on a Sunday or public holiday, your debit order may be lodged for an earlier date.

## Payments not received

If we do not receive the payment for a policy on the deduction date(s) as stated on the schedule, you will not have any cover for the period for which you did not pay. From the second month's due payment, if payment is not made, we will allow a 15-day period of grace for payment.

If your premium is not received on your preferred deduction date, an attempt to collect your premium on a more suitable deduction date may be made in an effort to keep you covered. If we do not receive your payment for three months in a row, the policy will be cancelled immediately.

## Reinstatement of interrupted cover

When cover is interrupted because we did not receive your payment, we have the right to debit your account to reinstate your cover. You must also make a normal monthly payment for the cover to recommence.

## Your obligations

If you do not fulfil any of the following obligations, cover may be cancelled and/or your claim may not be settled.

### Your obligations are to:

- 1 provide us with true and complete information;
- 2 comply with all our reasonable requests;
- 3 assist us in all ways to recover indemnification from any other person who caused the loss for which you claim;
- 4 use all reasonable care and take all reasonable precautions to prevent or minimise loss, damage, death, injury or liability;

- 5 not admit any fault, nor make any offer to settle or settlement, without our written agreement;
- 6 inform us if any of the policy details or declarations are incorrect or if any of these details or declarations change;
- 7 tell us if you change the address where you usually keep the items we insure;
- 8 tell us about anything you have not yet disclosed, but that may be important for us to know in order to accept the policy, or about anything that changes that may be important for us to continue accepting the policy;
- 9 allow us to enter your premises and take, keep possession of and deal with any claimed property in any way we consider reasonable. You may not abandon any damaged property to us, whether we have taken possession of the property or not; and
- 10 allow us to use your name in any legal action against any other person to recover any amounts settled, or that we agree to settle, in respect of a claim under your policy.

## **Important time limits**

We will only indemnify you for a claim if you:

- 1 inform us and give us full details of anything that has happened that you may claim for, within 60 days from the date of the incident giving rise to the claim;
- 2 report anything that is lost or stolen to the police, within 48 hours;
- 3 give us any documents that you receive in connection with any claim, within 30 days; and
- 4 provide us with all the information and documentation that we may ask for, within 30 days.

## **General clauses**

### **Other parties' rights**

Only you, the policyholder, have rights in terms of this policy. If you decide not to claim for any damages, that would be your right only. No other person may claim from this policy.

### **Non-adherence to the policy**

If you do not adhere to the terms and conditions of this policy, we have the right to not indemnify you for any claim.

### **Disputed claims**

After we inform you of our decision on a claim, we will allow you 90 days to make representations to us about our decision. If you do not comply with this time limit, we will not reconsider the disputed claim. If we do receive representations, the decision will then be reviewed and the outcome communicated to you.

If, after review, we do not indemnify you for a claim or any part of it and you wish to challenge our decision, you must serve legal process on us within six months, calculated from the expiry of the 90-day period referred to above. If you do not comply with this time limit, you will be prevented from proceeding with legal process.

### **Proof**

When you claim, we can ask you to prove the ownership and value of the things you claim for.

### **Contribution**

If a claim is also covered by another policy, we will only indemnify you for our portion.

### **Deliberate act**

You will not be indemnified for a claim when you or a member of your household, or anybody who acts on your behalf, deliberately causes loss, damage or injury.

## **Fraud or dishonesty**

If you or anyone acting on your behalf submits a claim, or any information or documentation relating to any claim that is in anyway fraudulent, dishonest, inflated or exaggerated, we will reject the entire claim and cancel your policy retrospectively, either from the date on which the incident has been reported or from the actual incident date, whichever date is the earliest.

## **Excess**

Every time something happens for which you claim, you must pay an excess. This is the uninsured part of your loss. The amounts that you will be responsible for under each section of the cover you have chosen are stated on your schedule.

## **More than one section of this policy**

If a claim is reported to us, we will decide which section of this policy will apply.

## **Claims costs**

We will pay for the assessments we need to do of claims under your policy. However, if you wish to employ a person to assist you in preparing your claim, indemnification for the costs you incur in this process will be at our discretion. The maximum payable under each section is stated on your schedule.

## **Security firms**

Should you need to use the services of a legally registered security firm to safeguard your property, we will consider the employees of this security firm as employees of your own – even though they are not directly paid by you. Their employee status will be limited to the duties outlined in the agreement between the security firm and yourself.

## **We do not indemnify you for:**

Any claim for loss, damage, death, injury or liability that is caused by or results from:

### **Riots, wars, political acts, terrorism or any such attempted acts:**

- 1 any riot, strike or public disorder (including civil commotion, labour disturbances or lock-out) or any act or activity resulting in or calculated to bring about riot, strike or such disorder;
- 2 war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
- 3 mutiny, military uprising, military or usurped power, martial law, state of siege or any other event or cause that determines the proclamation or maintenance of martial law or state of siege, insurrection, rebellion or revolution;
- 4 any act or threat of 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;
- 5 any act that 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, government or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public or any section thereof;
- 6 any attempt to perform any act referred to in clause 4 or 5 above; or
- 7 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in any of clauses 1 to 6 above.

## **Things that happen for which the damage is covered by law**

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) of the Republic of South Africa, or any similar act operative in any of the territories to which your policy applies.

## **Nuclear substances**

Nuclear material, fission, fusion, weapons, explosives, waste, ionising, radiations or contamination by radioactivity from any nuclear fuel, or from any nuclear waste, or from the combustion of nuclear fuel that includes any self-sustaining process of nuclear fission.

## Nationalisation

Nationalisation, confiscation, commandeering or requisition by any lawfully constituted authority.

## Work stoppage

Stoppage or slowing down of any work, process or operation.

## Computer processes

The improper or faulty functioning of any computer or computer-related equipment; for example, the inability or prevention of any computer, data processing equipment, microchip, circuits, software, tools, operating systems, hardware or any other related item using any data recognising, manipulating, interpreting, processing, storing, receiving, responding, saving, retaining or using any command or instruction. We will not indemnify you should any computer equipment suffer a virus, trojan horse, time or logic bomb or worm, or other destructive or disruptive code, media or program or interference.

## Asbestos

Death, injury, illness, costs, or expenses of whatsoever type related to asbestos.

## Deterioration and breakdown

Failure, breakage or rust, wear and tear, depreciation, perishing, fading, mechanical or electrical breakdown.

## Contractual liability

Any loss arising from any contractual liability.

## Consequential loss

Consequential loss or damage, except if we specifically state in your schedule that it is covered.

## Illegal activities

Any loss or damage caused by the use of the insured property for, or in connection with, any illegal activity and/or the commission of any crime.

*If we say that a claim is not covered because of any of the above, then you must prove the contrary.*

## South African Special Risks Insurance Association (Sasria)

Sasria covers you for any accidental or intentional damage to your property caused by any person or group of people taking part in a riot, strike, lock-out or civil commotion, or committing any act that has a political, social or economic aim, objective or cause, or that is in protest against any state or government.

This cover is limited to things happening in South Africa. The Sasria master policy is kept by us and is available on request.

## What is not covered by Sasria

Sasria does not cover loss or damage that is caused by:

- 1 consequential or indirect means;
- 2 a stoppage or deliberate slowing down of work;
- 3 your property being disposed of or confiscated by any lawful authority;
- 4 any lawful authority when dealing with riots, civil commotion or other political, social or economic act, war and warlike acts;
- 5 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
- 6 looting and theft.

## Proof

If Sasria does not pay your claim, it is your duty to prove that you were covered.

## Undertaking in respect of the Ombudsman

We subscribe to the principles and rules of the company of the Ombudsman for Short-term Insurance (incorporated under Section 21 of the Companies Act) and we will always abide by his/her rulings in respect of any matter referred to him/her by a client.

The Ombudsman for Short-term Insurance can be contacted on 011 726 8900 or at PO Box 32334, Braamfontein 2017.

## Fire

Under this section you may claim for:

- buildings

and other property kept inside your business premises, including:

- machinery, tools, equipment and all other contents
- fixtures and fittings
- stock and materials
- miscellaneous items,

depending on the cover you have selected and provided your schedule states that you are paying a premium for this cover.

## Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## We will indemnify you:

For physical loss or damage to your property, as noted in the **Fire section** of your schedule, if caused by any of the perils set out below.

### Maximum indemnification

The maximum we will pay for any claim under this section is the sum insured. This is stated in the **Fire section** of your schedule.

### Insured perils

Loss of or damage to your property as a result of:

- 1 fire, lightning, thunderbolt, power surge, subterranean fire, earthquake, explosion, storm, wind, water, hail and snow;
- 2 impact by animals, trees (except if they are being felled), aerials, satellite dishes, vehicles, aircraft and articles dropped from aircraft/s;
- 3 charges by any registered fire-fighting or rescue organisation; or
- 4 charges by any municipality to pass plans to replace the lost or damaged property.



## Cover automatically included to assist you

### Professional fees

You may have to obtain assistance from professionals in the replacement of property that was lost or damaged by the insured perils. We will indemnify you for the cost of architects or other professional persons in the compilation of estimates, plans, specifications, quantities, tenders or supervision.

### Demolition and clearing costs

We will indemnify you for the cost of demolishing and clearing the land of debris after loss or damage caused by any of the insured perils.

### Temporary removal

We will cover certain items, noted as item/s 2 under 'Sums insured' in the **Fire section** of your schedule, while they are away from your business premises, including transit by road or rail, for the purpose of overhauling, upkeep or repair.

### Alternative replacement

Provided that the insured value is the correct new replacement value, we may indemnify you for replacing the insured property with alternative new property that can perform the same function.

### Other tenants

We understand that other tenants in the building you occupy could move out or change their business activity, which could endanger your property to a greater extent than originally mentioned to us. Should this happen without your knowledge, we will provide cover, provided that you inform us immediately once you become aware of the changes. You may also be required to meet additional security requirements or pay any additional premium we consider fair and reasonable.

### Building bondholders

We will provide cover to building bondholders of whom we are informed, should you or any other tenant in the building do anything that increases the danger of possible loss or damage to a greater extent than originally declared to us. However, we reserve the right to recover the value of any claim from the person or organisation that caused the increased danger.

### Building escalation

Since the costs of building materials and labour increase every year, we will increase the insured value of certain items, noted as item/s 1 under 'Sums insured' in the **Fire section** of your schedule, by a market-appropriate percentage, every calendar year, from the date of inception of this policy. You are required to increase the value of these items at least once in a calendar year to make provision for these increased costs. If you fail to do so, the original insured value plus 10% will be the maximum insured value.

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Subsidence of land

We will indemnify you for loss of or damage to the buildings, as described above, caused by subsidence or heave of the land supporting the buildings or landslip, as long as the loss or damage is not caused by or does not arise from:

- excavations other than mining excavations;
- alterations, additions or repairs to the buildings;
- the compaction of infill;
- defective design materials or workmanship; or
- normal settlement, shrinkage or expansion of the dwelling.

Under this cover extension, we will also indemnify you if your office contents are insured with us and due to subsidence, heave or landslip, the insured items that you normally keep inside the buildings at the same insured address are lost or damaged at the same time as your buildings, and your buildings claim is approved.

### Geyser cover

- a. loss or damage caused by geysers, or equipment or pipes attached to geysers, up to the maximum stated on the schedule; and
- b. loss of or damage to the geysers and attached equipment and pipes.
- c. loss or damage to your heat pumps, solar panels, solar tubes, gas and induction, but only if this is stated on your schedule.

You must insure your geysers for the actual number of geysers in any of your insured building/s. If you claim, we will calculate the costs against the actual number of geysers declared. If you insured fewer geysers than the actual number of geysers, we will only pay part of your claim, e.g.:

CLAIM for one damaged geyser	R10 000
number of geysers INSURED	1
ACTUAL NUMBER OF GEYSERS	2
UNDERINSURANCE CALCULATION	$\frac{R10\ 000 \times 1}{2}$
CLAIM PAYMENT	R5 000

*Please note: Installations must comply with the manufacturer's and all relevant regulatory requirements.*

## We do not indemnify you:

For loss or damage as a result of:

- 1 Any tsunami, volcano, or abnormal nature conditions not included in this section as a peril or additional peril.
- 2 If you have selected optional cover for subsidence and landslip, we will not indemnify you for:
  - 2.1 Loss of or damage to solid floor slabs or any other part of the building resulting from the movement of the slabs, unless the foundations supporting the external walls of the buildings are damaged by the same cause at the same time.
  - 2.2 Loss of or damage to swimming pools, tennis courts, patios, terraces, driveways, paths, septic or conservancy tanks, drains, water courses, walls, gates, posts and fences, unless the insured buildings are damaged by the same cause at the same time.
  - 2.3 The cost of work necessary to prevent further loss or damage due to subsidence, heave or landslide, except where appropriate design precautions were implemented during the original construction of the buildings and any subsequent additions thereto.
- 3 Exposure of property to any heating, drying or water process.
- 4 The property being in any underground mine or in the open, unless designed to be in the open.
- 5 The property being a retaining wall, drain or constructed water course.
- 6 Any faulty design or construction.
- 7 The weakening of any support to any structure.
- 8 The work of any workmen.
- 9 Any excavation work.
- 10 Any malicious damage.

We will also not indemnify you for loss of or damage to property that is insured under any marine insurance policy.

## What happens if you are underinsured

The amount for which you insure your property must be its new replacement value. The replacement value is what it will cost you, at the time of a claim, to replace all your property with similar new property. If you claim, we will calculate the replacement value for which you should have insured your property. If you insured for less than that, we will only pay a part of your claim, e.g.

CLAIM	R10 000
INSURED FOR	R50 000
REPLACEMENT VALUE	R100 000
UNDERINSURANCE CALCULATION	$R10\,000 \times R50\,000$
	<hr/>
	R100 000
CLAIM PAYMENT	R5 000

## Business Interruption

**Under this section you may claim if you lose turnover/sales/revenue/income as a result of loss of or damage to your business property.**

### Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

### Definitions

The following definitions will apply to this section:

#### Turnover/sales/revenue/income

The money paid or payable to you for goods sold and delivered or supplied by you from your business, or rent received from tenants.

#### Fixed costs/expenses

The costs and expenses of your business that you have to pay, whether you are in business or not, and that are not directly proportionally related to your turnover/sales/revenue/income.

#### Variable costs/expenses

The costs and expenses of your business that you would not have to pay if you were not in business and that are proportionally related to the value of your turnover/sales/revenue/income.

#### Net profit before tax

The value of your turnover/sales/revenue/income less your fixed costs/expenses as well as your variable costs/expenses before the payment of any tax on the business profit.

#### Financial report/balance sheet

All the financial figures reflected in your books of account for a financial year, or, if your business has not been operating for a full year, the figures related to the period of operation.

#### Trend

The proven increase, or decrease, percentage of your turnover/sales/revenue/income arising from circumstances or any change affecting your business, either before or after the damage for the period immediately following the finalisation of your financial report/balance sheet.

## Claims ratio

Your fixed costs/expenses plus net profit before tax as a percentage of your turnover/sales/revenue/income, as calculated in your financial report/balance sheet.

## Indemnity period

We will indemnify you from the time the damage or loss occurred, up until such time as you are back in business and your turnover/sales/revenue/income has been restored to what it was before the claim, subject to any change in the trend of the business.

## Damage

Damage caused by a peril insured in terms of the **Fire, Office Contents, or Buildings Combined sections** of this policy, whether caused to the property stated in the **Fire section** or caused to property insured elsewhere in this policy only.

## We will indemnify you:

If you lose turnover/sales/revenue/income as a result of any damage leading to the interruption of your business, caused by any of the perils covered under the **Fire, Office Contents, or Buildings Combined sections** of your policy.

The interruption must be as a result of a loss that would give rise to a valid claim under these sections. The loss must also have occurred during the course of your business and at the business premises noted on your schedule.

We will indemnify you and place you in the same position as you were before the damage, so that your business can continue to operate as if you did not suffer the damage to your property that caused the loss of turnover/sales/revenue/income.

## Maximum indemnification

The amount of financial loss you suffered until such time as your business has returned to expected levels, and subject to the maximum indemnity and period as set out on your schedule.

## Calculation of payment

Our payment will be based on the following calculation:

The claims ratio applied to the proven loss of turnover/sales/revenue/income suffered, adjusted for trend, but less any fixed costs/expenses not paid due to the damage.

Example of how we will calculate indemnification:

VARIABLE COSTS/EXPENSES RECORDED IN PREVIOUS YEAR'S FINANCIAL REPORT	R750 000
FIXED COSTS/EXPENSES RECORDED IN PREVIOUS YEAR'S FINANCIAL REPORT	R200 000
NET PROFIT BEFORE TAX	R50 000
TURNOVER RECORDED IN PREVIOUS YEAR'S FINANCIAL REPORT	R1 000 000
CLAIMS RATIO:	

$$\frac{R1\ 000\ 000 - R750\ 000}{R200\ 000 + R50\ 000} = \frac{R250\ 000}{R250\ 000} = 100\%$$

$$\text{RATIO} = \frac{R50\ 000}{R1\ 000\ 000} \times 100\% = 5\%$$

PROVEN LOSS OF TURNOVER/SALES/REVENUE/INCOME,  
FOLLOWING LOSS OR DAMAGE IS, E.G.

R100 000

MAXIMUM INDEMNIFICATION IS THEREFORE  
LESS ANY SAVINGS ACHIEVED.

R25 000

IF THE BUSINESS TREND PROVES TO BE AN INCREASE OF 20%, THEN THE INDEMNIFICATION WOULD BE ADJUSTED TO  
**R30 000**, LESS ANY SAVINGS ACHIEVED.

#### Note

- 1 The above calculation is an example only.
- 2 The appointed loss adjuster may calculate the indemnification related to an increase in the cost of operating the business, or according to the example (or a combination of both), which is as a result of the reduction of turnover/sales/revenue/income, providing the maximum value of the indemnification does not exceed the reduction of the turnover/sales/revenue/income calculation.

## Your obligations

You are required to ensure that your books of account are in order and that records are fully updated within 60 days of the end of every month. If your records are not up to date at the time of loss, we will use the figures and supporting documents you used when preparing your VAT returns. If you are not a registered vendor in terms of the VAT statute, we reserve the right to indemnify you as we consider fair and reasonable.

## Cover automatically included to assist you

### Accountants

We will accept any information requested from your appointed accountant as true and correct.

### Accumulated stock

If you are able to maintain your turnover/sales/revenue/income by using any of your accumulated stock, we will indemnify you as if you did not use the accumulated stock.

### Departments/branches/business units

Your business may be separated into different units, which may each be accounted for separately. If this is the case and you have accurately stated the turnover/sales/revenue/income of your entire business, we will base our calculations for a claim only on the figures for the particular unit that suffered the loss or damage.

### Unit output

If you elect that we do so, we will calculate the claims payment to you by working out what the Rand value is of the decrease in production that took place in your business unit as a result of the loss or damage.

### Salvage sale turnover/sales/revenue/income

When your indemnification for the claim is calculated, we will also take into account any turnover/sales/revenue/income that you received from any salvage sale you hold in the period between the damage and finalisation of the claim.

### Other premises

If your business is dependent on any of the following, we will calculate the indemnification as if the damage happened at your business premises:

#### a. Suppliers

If damage by a peril, insured under the **Fire, Office Contents** or **Buildings Combined sections** of your policy, occurs at the premises of your supplier and, as a result, your supplier is unable to supply the products that you need in order to earn your turnover/sales/revenue/income, it will be covered.

b. **Prevention of access**

If damage by a peril, insured under the **Fire, Office Contents** or **Buildings Combined sections** of your policy, occurs within a 15 km radius of your insured business premises, making it impossible to gain access to those premises and, as a result, you suffer a decrease in turnover/sales/revenue/income, it will be covered.

c. **Additional business premises**

If you occupy additional business premises and suffer a loss of turnover/sales/revenue/income as a result of damage covered by the **Fire, Office Contents** or **Buildings Combined sections** of your policy, it will be covered.

d. **Customers**

If your customer suffers damage that is covered under the **Fire, Office Contents** or **Buildings Combined sections** of your policy and, as a result, the customer is unable to accept the products that you provide in order to earn your turnover/sales/revenue/income, it will be covered.

e. **Public utilities**

If the public supply of electricity, water, gas or telecommunication services to your business premises breaks down for longer than 24 hours.

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Malicious damage

Loss or damage as a result of malicious damage is excluded under the **Fire, Office Contents** and **Buildings Combined sections** of your policy. You may, however, have insured your goods against accidental damage and, under this section, selected additional cover for malicious damage. If this is the case and your schedule states that you are paying a premium for this cover, we will also indemnify you if you lose turnover/sales/revenue/income as a result of malicious damage leading to interruption of your business. The most we will pay for a claim of this nature will be the maximum indemnification amount stated for malicious damage on your Accidental Damage schedule.

### Additional increased cost of working

Additional expenses you incur during the indemnity period to continue with your normal business operations after loss or damage due to an insured peril. The maximum amount we will pay is stated on your schedule.

## We do not indemnify you:

- 1 If your business is discontinued for any reason.
- 2 If your business is placed into liquidation or conducted by any judicial manager appointed by a court of law.
- 3 If you are incapable of operating the business due to any process of law, or medical incapacity if you are a sole proprietor and are unable to employ someone to operate your business for you.
- 4 For loss of turnover/sales/revenue/income resulting from any incident that is not listed as an insured peril under the **Fire, Office Contents**, or **Buildings Combined sections** of your policy.
- 5 For any loss following damage to vehicles and stock in transit or to any property not insured under this policy.
- 6 Damage caused by theft will not be covered.

## What happens if you are underinsured

If the sum insured is less than the true turnover/sales/revenue/income received for the 12 months prior to the time of the damage or loss (or if the business has not operated for 12 full months, the proportional value of 12 months' operation), we will pay the claim proportionately, because the sum insured is calculated according to 12 full months of turnover/sales/revenue/income.

Our calculation will be as follows:

$$\frac{\text{SUM INSURED} \times \text{THE VALUE OF YOUR CLAIM}}{12 \text{ MONTHS' TURNOVER/SALES/REVENUE/INCOME AT THE TIME OF LOSS}}$$

For example:

$$\frac{\text{R110 000} \times \text{R10 000}}{\text{R150 000}}$$

WE WILL ONLY INDEMNIFY YOU UP TO **R7 333**.

## Buildings Combined

Under this section you may claim for loss of or damage to the physical structure of your business building and its outbuildings.

### Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

### Definitions

The following definitions will apply to this section:

#### Third party

A third party is any person with whom you have no family or employer relationship, as understood in a court of law.

### We will indemnify you:

For loss of or damage to the buildings, sporting and recreational structures, and outbuildings (built of brick, stone, concrete or metal and roofed with slate, concrete tiles, concrete, asbestos or metal), including the landlord's fixtures and fittings as well as boundary walls, gates, tarred and paved roads, driveways, paths or parking areas for which you are legally responsible.

### Maximum indemnification

The maximum we will pay for any claim under this section is the sum insured. This is stated in the **Buildings Combined section** of your schedule.

### Insured perils

There will be cover if the loss or damage is caused by any of the following perils:

- 1 Fire, lightning, thunderbolt, power surge, subterranean fire, earthquake, explosion, storm, wind, water, hail and snow.
- 2 Impact by animals, trees (except while they are being felled), aerals, satellite dishes, vehicles, aircraft and articles dropped from aircraft.
- 3 Burglary requiring break-in to any building or structure.
- 4 Charges by any registered fire-fighting or rescue organisation.
- 5 Charges by any municipality to pass plans to replace the lost or damaged property.
- 6 Accidental breakage of fixed mirror glass, fixed glass doors and sanitary ware.

## Cover automatically included to assist you

### Loss of rent

If you lose rent because your tenant had to vacate the building or any part of it due to damage caused by an insured peril, or if your tenant is unable to access your building as a result of an insured peril, but only until the building or the part that was damaged is fit for reoccupation. The maximum we will pay for a claim under this cover section is 25% of the sum insured.

### Landlord's liability

If you are held legally liable for loss or damage in your capacity as landlord of the insured property. The maximum we will pay for a claim under this section is stated on your schedule.

### Professional fees

You may need assistance from professionals in the replacement of property that was lost or damaged by the insured perils. We will indemnify you for the cost of architects or other professional persons in the compilation of estimates, plans, specifications, quantities, tenders or supervision.

### Demolition and clearing costs

We will indemnify you for the cost of demolishing and clearing the land of debris after loss of or damage to your buildings or structures caused by any of the insured perils.

### Temporary removal

We will extend this insurance to cover the property while it is away from your building or structure, including transit by road or rail, for the purpose of overhaul, upkeep or repair.

### Other tenants

We understand that other tenants in the building you occupy could move out or change their business activity, which could endanger your property to a greater extent than originally mentioned to us. Should this happen without your knowledge, we will provide cover, provided that you inform us immediately once you become aware of the changes. You may also be required to meet additional security requirements or pay any additional premium we consider fair and reasonable.

### Building bondholders

We will indemnify building bondholders of whom we are informed should you or any other tenant in the building do anything that increases the danger of possible loss or damage to a greater extent than originally mentioned to us. However, we reserve the right to recover the value of any claim from the person or organisation that caused the increased danger.

### Building escalation

Since the costs of building materials and labour increase every year, we agree to increase the sum insured by a factor of 10% per calendar year from the date of inception of this policy. It is a requirement that you increase the value at least once per calendar year to cater for these increased costs. Should you fail to increase the sum insured once a year, the original sum insured plus 10% will be the maximum sum insured that we will consider valid.

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Subsidence of land

We will indemnify you for loss of or damage to the buildings, as described above, caused by subsidence or heave of the land supporting the buildings or landslip, as long as the loss or damage is not caused by or does not arise from:

- excavations other than mining excavations;
- alterations, additions or repairs to the buildings;



- the compaction of infill;
- defective design materials or workmanship; or
- normal settlement, shrinkage or expansion of the dwelling.

Under this cover extension, we will also indemnify you if your office contents are insured with us and due to subsidence, heave or landslip, the insured items that you normally keep inside the buildings at the same insured address are lost or damaged at the same time as your buildings, and your buildings claim is approved.

### Geyser cover

- loss or damage caused by geysers, or equipment or pipes attached to geysers, up to the maximum stated on the schedule; and
- loss of or damage to the geysers and attached equipment and pipes.
- loss or damage to your heat pumps, solar panels, solar tubes, gas and induction, but only if this is stated on your schedule.

You must insure your geysers for the actual number of geysers in any of your insured building/s. If you claim, we will calculate the costs against the actual number of geysers declared. If you insured fewer geysers than the actual number of geysers, we will only pay part of your claim, e.g.:

CLAIM FOR ONE DAMAGED GEYSER	R10 000
NUMBER OF GEYSERS INSURED	1
ACTUAL NUMBER OF GEYSERS	2
UNDERINSURANCE CALCULATION	$\frac{R10\ 000 \times 1}{2}$
CLAIM PAYMENT	R5 000

*Please note: Installations must comply with the manufacturer's and all relevant regulatory requirements.*

## We do not indemnify you:

- For loss or damage as a result of the following:
  - Any tsunami, volcano, or abnormal nature conditions not included in this section as a peril or additional peril.
  - Exposure of property to any heating, drying or water process.
  - Property that is in the open, unless designed to be in the open.
  - Any faulty design or construction.
  - The weakening of any support to any building or structure.
  - The work of any workmen.
  - Any excavation work.
  - Legal liability arising from any contract.
  - Legal liability for death or injury that is not directly suffered by a third party.
  - Legal liability for property loss or damage that is not directly suffered by a third party.
  - Any malicious damage.

We will also not indemnify you for loss or damage or for legal liability if this property is insured under any other insurance policy, nor will we indemnify you if the business is a retail concern.

- 2 If you have selected additional cover for subsidence and landslip, we will not indemnify you for the following:
  - 2.1 Loss of or damage to solid floor slabs or any other part of the building resulting from the movement of the slabs, unless the foundations supporting the external walls of the buildings are damaged by the same cause at the same time.
  - 2.2 Loss of or damage to swimming pools, tennis courts, patios, terraces, driveways, paths, septic or conservancy tanks, drains, water courses, walls, gates, posts and fences, unless the insured buildings are damaged by the same cause at the same time.
  - 2.3 The cost of work necessary to prevent further loss or damage due to subsidence, heave or landslide, except where appropriate design precautions were implemented during the original construction of the buildings and any subsequent additions thereto.
- 3 For loss of or damage to your geyser/s, unless they are specifically insured under this section and it is noted on your schedule that you are paying for cover.

## What happens if you are underinsured

The amount for which you insure your property must be its new replacement value. The replacement value is what it will cost you, at the time of a claim, to replace all your property with similar new property. If you claim, we will calculate the replacement value for which you should have insured your property. If you insured for less than that, we will only pay a part of your claim, e.g.

CLAIM	R10 000
INSURED FOR	R50 000
REPLACEMENT VALUE	R100 000
UNDERINSURANCE CALCULATION	$\frac{R10\ 000 \times R50\ 000}{R100\ 000}$
CLAIM PAYMENT	R5 000

## Office Contents

Under this section you may claim for the office contents you keep inside your business premises.

### Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

### Definitions

The following definitions will apply to this section:

#### Documents

This means your business books of account, manuscripts, written records, maps, plans, drawings, deeds, wills, mortgages, agreements, letters, certificates, designs, patterns, and other written, printed or inscribed papers in your legal possession or used by you.

## We will indemnify you:

For physical loss of or damage to the contents of your office at the insured business premises, noted in the **Office Contents section** of your schedule, if the loss or damage is caused by any of the perils set out below.

### Maximum indemnification

The maximum we will pay for any claim under this section is the sum insured. This is stated in the **Office Contents section** of your schedule.

## Insured perils

Loss of or damage to the contents of your office, as well as your legal liability for loss of or damage to other parties' documents in your possession, as a result of:

- 1 Fire, lightning, thunderbolt, power surge, subterranean fire, earthquake, explosion, storm, wind, water, hail and snow.
- 2 Impact by animals, trees (except while they are being felled), aerials, satellite dishes, vehicles, aircraft and articles dropped from aircraft.
- 3 Charges by any registered fire-fighting or rescue organisation.
- 4 Charges by any municipality to pass plans to replace the lost or damaged property.
- 5 Accidental breakage of fixed mirror glass, fixed glass doors and glass furniture tops.

We will also indemnify you for the cost of replacing the locks and keys of your office premises if the keys are proven to be in the possession of any unauthorised person or if an unauthorised person has duplicates of your office keys.

## Cover automatically included to assist you

### Professional fees

You may need assistance from professionals in the replacement of property that was lost or damaged by the insured perils. We will indemnify you for the cost of architects or other professional persons in the compilation of estimates, plans, specifications, quantities, tenders or supervision.

### Demolition and clearing costs

We will indemnify you for the cost of demolishing and clearing the land of debris after loss of or damage to your office contents caused by any of the insured perils.

### Temporary removal

We will extend this insurance to cover the property while it is away from your office premises, including transit by road or rail, for the purpose of overhaul, upkeep or repair.

### Other tenants

We understand that other tenants in the building you occupy could move out or change their business activity, which could endanger your property to a greater extent than originally mentioned to us. Should this happen without your knowledge, we will provide cover, provided that you inform us immediately once you become aware of the changes. You may also be required to meet additional security requirements or pay any additional premium we consider fair and reasonable.

### Theft

Physical loss of or damage to your office contents as a result of any person(s) breaking into your business premises and removing, or attempting to remove, your property without the intention of returning it.

We will also indemnify you if you or your employees are held up by any person(s) who intend to remove your property without permission.

There must be evidence of visible, violent and forcible entry or exit to show that a person(s) physically removed or attempted to remove your property.

The maximum we will pay for any claim under this section is stated on your schedule.

There will be no theft cover if your business premises are unoccupied for more than 30 consecutive days.

### Personal property

Loss of or damage to uninsured personal property belonging to you or your employees. The maximum we will pay under this section is stated on your schedule.

## Rent

Payment of rent to your landlord, should you have to vacate the office due to damage by an insured peril or if you are unable to access your office as a result of an insured peril, but only until the office is fit for reoccupation. The maximum amount we will pay is stated on your schedule.

## Increased cost of working

Additional expenses you incur for the sole purpose of operating your office after loss or damage due to an insured peril. The maximum amount we will pay is stated on your schedule.

## Locks and keys

The cost of replacing the locks and keys of your business premises if these are proven to be in the possession of any unauthorised person or if any unauthorised person has duplicates of the keys to your business premises.

# Optional cover

## Legal liability documents

Legal liability as a direct result of loss or damage to documents. The maximum amount we will pay is stated on your schedule.

## We do not indemnify you:

For loss or damage as a result of the following:

- 1 Any tsunami, volcano or abnormal nature conditions not included in this section as a peril or additional peril.
- 2 Exposure of property to any heating, drying or water process.
- 3 The property being in any underground mine or in the open, unless designed to be in the open.
- 4 Any faulty design or construction.
- 5 The weakening of any support to any structure.
- 6 The work of any workmen.
- 7 Any excavation work.
- 8 Legal liability arising from any contract.
- 9 Any malicious damage.
- 10 Any theft or loss caused by you or any of your members, partners, directors, principals or employees.
- 11 Loss of or damage to property that is insured under any marine insurance policy.
- 12 Electronic data and processing equipment of any description including computers and all related hardware and peripherals more specifically insurable under the Electronic Equipment section of the policy.

## What happens if you are underinsured

The amount for which you insure your property must be its new replacement value. The replacement value is what it will cost you, at the time of a claim, to replace all your property with similar new property. If you claim, we will calculate the replacement value for which you should have insured your property. If you insured for less than that, we will only pay a part of your claim, e.g.

CLAIM	R10 000
INSURED FOR	R50 000
REPLACEMENT VALUE	R100 000
UNDERINSURANCE CALCULATION	$\frac{R10\ 000 \times R50\ 000}{R100\ 000}$
CLAIM PAYMENT	R5 000

## Accounts Receivable

Under this section you may claim if you cannot trace the details of amounts due to you because the financial records of your business have been destroyed.

### Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

### Definitions

The following definitions will apply to this section:

#### Outstanding debit balances

The amount of money that is still owed to you by the customers you have provided with credit. The total amount excludes the following:

- 1 Amounts already paid.
- 2 Amounts that were credited.
- 3 All amounts that were not recorded as outstanding debts on your customers' accounts.

### We will indemnify you:

If you suffer a financial loss because you are unable to trace or establish the outstanding debit balances owed to you after the accidental physical loss of or damage to your business books of account and records. We will include indemnification for the additional costs you incur in tracing and establishing your customers and their outstanding balances.

### Maximum indemnification

The maximum we will pay for any claim is the sum insured – this appears in the **Accounts Receivable section** of your schedule.

### Your obligations

You are required to make a full copy of all your customers' debtor account records within 60 days of each calendar month's end. These records must be kept in a fireproof safe at an alternative location, away from your business premises.

## **We do not indemnify you:**

- 1** For amounts reflecting on your records as outstanding debts that are of the same value as your bad debts.
- 2** If it cannot be proven that a customer is indebted to you and the customer refuses to settle his or her outstanding account due to a lack of supporting documentation following your request for settlement or payment.
- 3** For loss of or damage to your business books of account and records caused by the following:
  - 3.1 Wear and tear.
  - 3.2 Gradual deterioration.
  - 3.3 Moths or vermin.
  - 3.4 Electrical, electronic or magnetic interference or disturbance.
  - 3.5 Fraudulent or dishonest actions performed by any stakeholder, director, member, partner, employee or anyone who gains access to your business account records and books, whether he/she is entitled to gain access or not.

## **Theft**

**Under this section you may claim if your business property is stolen from inside your insured premises.**

## **Excess**

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## **We will indemnify you:**

For physical loss of or damage to your property, excluding office contents, but including stock, as a result of any person(s) breaking into your business premises using visible, forcible and violent entry into or exit from such premises and removing or attempting to remove your property without the intention of returning it.

We will also indemnify you if you or your employees are held up in an armed robbery on the business premises by any person(s) who intend/s to remove your property without permission.

## **Maximum indemnification**

The maximum we will pay for any claim under this section is the sum insured. This is stated in the **Theft section** of your schedule.

## **Your obligations**

The security and protective devices of which you have informed us, or those that we have insisted you install, must be kept in perfect working order and activated at all times when you lock up the business or if the business premises are left unoccupied. If we find that these devices were not activated and in perfect working order at the time of the break-in, we have the right not to indemnify you.

## **Cover automatically included to assist you**

### **Damage to buildings**

Loss or damage caused to the buildings (including your landlord's fixtures and fittings) as a result of any person(s) breaking in or attempting to break into your business premises.

## Locks and keys

The cost of replacing the locks and keys of your business premises if these are proven to be in the possession of any unauthorised person or if any unauthorised person has duplicates of the keys to your business premises.

## We do not indemnify you for:

- 1 Any unexplained shortages.
- 2 Property not contained inside the building of your business premises.
- 3 Breakage of any fixed glass.
- 4 The value of any documents or papers.
- 5 Property more specifically insured or that could be more specifically insured by us.
- 6 Loss or damage caused by you or any stakeholder, partner, director, member or employee.
- 7 Loss of or damage to contents if your business premises are unoccupied for more than 30 consecutive days.

## Money

**Under this section you may claim for the cash, cheques and safes you keep at your business premises.**

### Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## We will indemnify you:

For physical loss of or damage to legally tendered cash, crossed 'not transferable' cheques, credit card vouchers, postal or revenue stamps – all of which must have a South African Rand value.

We will also indemnify you for physical loss of or damage to any safe, cash register, cash box, strong room or any other similar money receptacle, occurring at the same time as the physical loss of or damage to money.

### Maximum indemnification

The maximum we will pay for any claim under this section is the sum insured. This is stated in the **Money section** of your schedule.

### Your obligations

You are required to have a full written record of all money received and paid out by you, so that we can verify the value of any claim.

The details of the safe used at the business premises, as you have supplied them to us, have been recorded in the **Money section** of your schedule. You are required to make sure that the safe is kept in perfect working order at all times. If we find that the safe was not in perfect working order at the time of any claim, we have the right not to indemnify you.

## Cover automatically included to assist you

### Safes and receptacles

Safes, strongboxes, cash boxes or other money receptacles are covered up to the maximum as stated on your schedule.

## Personal effects

Clothing and personal effects that belong to you or your employees, not already insured. The maximum we will pay is stated on your schedule.

## Money not locked in a safe

Money not locked in a safe after business hours will include money kept at your own or your employees' residence and money used for business trips. The maximum we will pay is stated on your schedule.

## We do not indemnify you for:

- 1 Any unexplained shortages or shortages caused by errors or omissions.
- 2 Property more specifically insured or that could/should be more specifically insured elsewhere.
- 3 Loss or damage caused by you or any partner or employee.
- 4 Money not contained in a locked safe at all times when you lock up the business or when the business premises are left unoccupied.
- 5 Money contained in any vehicle when the vehicle is not occupied by you or any partner or employee, unless the money is being transported by a registered security company.
- 6 Money in any ATM or vending machine.
- 7 Money belonging to anyone but you.
- 8 Counterfeit money.

## Fidelity Guarantee

**Under this section you may claim for business losses suffered due to fraud by employees.**

## Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## Definitions

The following definitions will apply to this section:

### Employee

Any person defined as an employee in terms of the Labour Relations Act (Act No. 66 of 1995) as amended.

### Theft

The wrongful taking of your property, resulting in the employee receiving dishonest personal gain of whatever type, occurring during the period that this section of the policy is in force.

### Fraud or dishonesty

The use of false representations to gain an unjust advantage (or gain).

## We will indemnify you:

For financial loss suffered by you as a result of theft of your property by an employee or by anyone else acting in collusion with an employee, including any members, partners, directors or principals.



## Maximum indemnification

The maximum we will pay for any claim under this section is the sum insured at the date of discovering the theft or fraud or dishonesty, irrespective of any theft committed over more than one period of insurance. This is stated in the **Fidelity Guarantee section** of your schedule.

## Your obligations

- 1 Maintain and continue to maintain all safeguards to prevent theft.
- 2 Report any action of theft or fraud or dishonesty to the police, if we request you to do so.
- 3 Inform us immediately on becoming aware of any theft, and in all cases within 24 hours of your becoming aware.
- 4 Lay a charge of theft or fraud with the police against the employee involved. You may not later withdraw the charge.

*Note that you may change an employee's duties with the agreement of your auditor.*

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Computer fraud, theft or dishonesty

Theft or fraud or dishonesty committed via the use of electronic data processing, computer, data, program, software, system or through media manipulation, input, suppression of input, destruction or alteration.

## We do not indemnify you for the following:

- 1 Theft or fraud or dishonesty not discovered by you within 24 months of the date of the theft.
- 2 Theft or fraud or dishonesty not discovered by you within 12 months of the termination of employment of the employee.
- 3 Theft or fraud or dishonesty committed by any stakeholder, unless this person is also an employee of your business at the time of the theft.
- 4 Theft or fraud or dishonesty committed by an employee after you have become aware of the employee's actions.
- 5 Theft or fraud or dishonesty committed via the use of electronic data processing, computer, data, program, software, system or through media manipulation, input, suppression of input, destruction or alteration, unless you have specifically elected cover for such incidents and your schedule states that you are paying a premium for it.
- 6 Any losses covered by any other professional indemnity or fidelity guarantee policy.

## Glass

**Under this section you may claim for the fixed glass at your business premises.**

## Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## We will indemnify you:

For accidental breakage of all fixed window, door, mirror, furniture and other fixed glass for which you are responsible at your insured business premises, as noted on your schedule.

In addition, we will indemnify you for damage to the frames, burglar alarm, sign writing, and any other attachments to the glass. We will also pay towards the removal and replacement of fixtures and fittings if this is necessary for replacement of the glass, up to a total amount of 10% of the sum you have insured the glass for.

We will also indemnify you for the cost of a watchman service and/or any boarding up that may be necessary prior to replacement.

## Maximum indemnification

The maximum we will pay for any claim is the sum insured. This is stated in the **Glass section** of your schedule.

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Neon signage

Loss of or damage to neon light boxes used for signage and display purposes, up to the amount stated on the schedule.

## We do not indemnify you for the following:

- 1 Glass not broken right through.
- 2 Glass that was broken before you were insured with us.
- 3 Breakage related to any peril mentioned in the **Fire section** of your policy, unless you are responsible for the loss or damage as tenant and as owner.
- 4 Loss of or damage to glass while the business premises are unoccupied or vacant.
- 5 Consequential loss of any kind.

## Electronic Equipment

**Under this section you may claim for loss of or damage to your computers and licensed software of your business.**

## Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## We will indemnify you:

For loss of or damage to the electronic equipment at your business premises, as stated on the schedule.

## Maximum indemnification

The maximum we will pay for any claim under this section is the sum insured. This is stated in the **Electronic Equipment section** of your schedule.

## **Cover automatically included to assist you**

### **Additional increased cost of working**

We will indemnify you if you have a claim for loss of or damage to your insured electronic equipment and, as a result, you incur additional expenses to prevent a loss of turnover/sales/revenue/income. The maximum we will pay for any claim under this section is stated on your schedule. It will be your responsibility to prove any alleged increased cost of working.

### **Reinstatement of data**

If you have a valid claim for loss of or damage to your insured electronic equipment and, as a result, lose information contained in the electronic equipment, we will indemnify you for the labour costs of reinstating the information. The maximum we will pay for any claim under this section is stated on your schedule.

### **Power or telecommunication access lines**

We will indemnify you if your power or telecommunications suppliers terminate their supply due to accidental damage to their access lines for a period longer than 24 hours and you have to incur additional expenses to prevent a loss of turnover/sales/revenue/income. The maximum we will pay for any claim under this section is stated on your schedule.

## **Optional cover**

### **Replacement of licensed software**

If you have a claim for electronic equipment, we will indemnify you for the purchase and installation of licensed software of the same type and edition. We will only indemnify you for software used for business purposes, and only if we have recorded the details of your software and noted these on your schedule. The maximum we will pay for any claim under this section is stated on your schedule.

## **We do not indemnify you:**

For any loss or damage due to the following:

- 1** Internally caused derangement.
- 2** Anything covered by a maintenance contract.
- 3** The wearing out of components.
- 4** Gradual deterioration.
- 5** Any part having a short life, such as (but not limited to) tubes, fuses and buffer circuits.
- 6** The action of any virus, trojan horse or worms or any computer-related disruption, malfunction or any other external interference.
- 7** The inputting of data corruption, incorrect entries and programs.
- 8** Any consequential loss.
- 9** Any malicious damage.
- 10** Theft not accompanied by evidence of visible, violent and forcible entry or exit to show that a person(s) physically removed or attempted to remove your property.

There will be no theft cover if your business premises are unoccupied for more than 30 consecutive days.

## What happens if you are underinsured

The amount for which you insure your property must be its new replacement value. The replacement value is what it will cost you, at the time of a claim, to replace all your property with similar new property. If you claim, we will calculate the replacement value for which you should have insured your property. If you insured for less than that, we will only pay a part of your claim, e.g.

CLAIM	R10 000
INSURED FOR	R50 000
REPLACEMENT VALUE	R100 000
UNDERINSURANCE CALCULATION	$\frac{R10\ 000 \times R50\ 000}{R100\ 000}$
CLAIM PAYMENT	R5 000

## Business All Risk

Under this section you may claim for business items that are regularly taken away from your insured premises.

### Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

### We will indemnify you:

For accidental physical loss of or damage to the items that you, a member, director, partner, principal or employee normally carry around for business purposes while away from the business premises, as specified on your schedule.

### Maximum indemnification

The maximum we will pay for any claim under this section is the sum insured. This is stated in the **Business All Risk section** of your schedule.

## Cover automatically included to assist you

### Increased cost of working

Additional expenses incurred for the operation of your business due to loss of or damage to the items specified in the **Business All Risk section** of your schedule. The maximum we will pay for any claim under this section is stated on your schedule.

### Reinstatement of data

If you have a valid claim for loss of or damage to your insured business all risk items and, as a result, lose information contained in the electronic equipment, we will indemnify you for the labour costs of reinstating the information. The maximum we will pay for any claim under this section is stated on your schedule.

## **We do not indemnify you:**

### **For loss or damage:**

- 1 To property left in a vehicle whilst unattended. There will be no cover if we cannot see the damage caused by the break-in.
- 2 While the property is in the possession of any other person or business to be cleaned, repaired or worked on, or if it is on sale.
- 3 As a result of tricks, devices or false pretences practised on you.
- 4 As a result of any action related directly to the insured items, such as (but not limited to) gradual deterioration, gradual processes (e.g. rusting or fading), inherent or latent defects, insects or vermin.
- 5 As a result of a fault of any type related to the insured items, such as (but not limited to) defects, workmanship or professional advice.
- 6 Resulting from the dishonesty of any principal, partner, director, member or employee of the insured business, whether acting alone or in collusion with others.
- 7 To money, documents and other forms of negotiable instruments and legal tender.
- 8 To furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, books and items of art.
- 9 As a result of any breakdown, failure or collapse of equipment (excluding laptop computers).
- 10 To any property while it is consigned in terms of any bill of lading.
- 11 To laptops, tools or cellphones, unless these items are specifically insured under this section and it is noted on your schedule that you are paying for cover.

## **Goods in Transit**

**Under this section, you may claim for loss of or damage to your business goods or goods for which you are responsible, in the course of transit as stated in your schedule.**

### **Excess**

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## **We will indemnify you:**

### **All Risk Cover**

For accidental loss of or damage to the insured business goods, as stated in your schedule, owned by you or for which you are responsible, when being loaded onto, conveyed by or unloaded from any vehicle or railway carriage. Cover will be included for the ropes, canvas and tarpaulins you use for the transport of the goods. The goods will also be covered for a period not exceeding 96 hours when in storage during the transport process.

### **Limited Cover**

The cover under this section is limited to loss or damage of the insured business goods, as stated on your schedule, owned by you or for which you are responsible, resulting from fire or explosion, collision, overturning or derailment of the means of conveyance as described on your schedule.

### **Theft following Limited Cover incidents**

The insurance under this section is limited to theft of the insured business goods, as stated in your schedule, owned by you or for which you are responsible, following a fire, explosion, collision, derailment or overturning incident.

## Maximum indemnification

The maximum we will pay for any claim under this section is stated in the **Goods in Transit section** of your schedule.

## Cover automatically included to assist you

### Debris removal

If you are held legally responsible for the costs of cleaning up and removing your goods after an accident involving a vehicle, train or professional carrier. The maximum amount we will pay for any claim under this section is stated on your schedule.

### Fire extinguishing charges

We will indemnify you if you are held responsible for the costs of extinguishing a fire that broke out, while your insured business goods were being transported. The maximum amount we will pay for any claim, under this section, is stated on your schedule.

## We do not indemnify you for the following:

- 1 Theft of your property from an unlocked or open-type vehicle, train or professional carrier if it is left unattended.
- 2 Documents or other things that can be used as negotiable instruments.
- 3 Furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities and items of art.
- 4 Tricks, devices or false pretences practised on you, or if your goods are in the custody of anyone under such conditions.
- 5 Breakdown or failure of refrigeration equipment.
- 6 Actions related directly to your insured goods, such as (but not limited to) gradual deterioration or inherent or latent defects.
- 7 Faults of any type related to the insured goods, such as (but not limited to) defects, workmanship or professional advice.
- 8 The consequences of delay, depreciation, loss of market or other charges related to or resulting from the transportation of your goods.
- 9 Loss of or damage to the insured goods, if the driver of the vehicle in which these are carried:
  - a. is not licensed to drive or drives while under the influence of alcohol or drugs, or while the percentage of alcohol in the driver's blood exceeds the legal limit or when the driver fails a breathalyser test; or
  - b. has an endorsed licence, whether the endorsement is displayed on the licence or is on record with the authorities for negligent, reckless or drunken driving, or for driving while the percentage of alcohol in that person's blood exceeds the legal limit.
- 10 If the vehicle or trailer in which your goods are being transported is involved in an accident and is found not to be in a roadworthy condition as defined in the legislation relating to roadworthiness, or when the law or traffic regulations do not allow towing.
- 11 Theft by you or your directors, members, partners, principals and employees, or if the theft occurs with your knowledge.
- 12 Inherent vice or defect, vermin, insects, damp, mildew or rust.
- 13 Detention, confiscation or requisition by customs or other officials or authorities.
- 14 Wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions), unless following an accident or misfortune not otherwise excluded.
- 15 Mechanical, electronic or electrical breakdown, failure, breakage or derangement of the insured property, unless following an accident or misfortune not otherwise excluded.
- 16 Property outside South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

# Accidental Damage

Under this section you may claim for business goods that are damaged by accident.

## Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## We will indemnify you:

For accidental physical loss of or damage to your insured goods, or goods in your custody at your business premises, caused by any incident not listed as an exclusion below.

## Maximum indemnification

The maximum we will pay for any claim under this section is the sum insured. This is stated in the **Accidental Damage section** of your schedule.

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Malicious damage

Physical loss of or damage to your insured goods, or goods in your custody at your business premises, if this arises from the deliberate, wilful or wanton acts of any person who intended to cause loss or damage.

### Leakage

Should your property be lost or damaged due to the accidental discharge or leakage of tanks, pipes or other apparatus involving chemicals, oils, fluids, gases or fumes.

## We do not indemnify you:

### 1 For loss of or damage to:

- 1.1 Anything that can be used as a negotiable instrument.
- 1.2 Jewellery, bullion, precious and semi-precious metals, stones, curiosities, furs, books, documents and items of art are also excluded from accidental damage cover, unless the loss of or damage to such items is the result of a malicious act or leakage. You will be indemnified provided that you selected cover for these items and your schedule states that you are paying for this cover.
- 1.3 Property that can/should be insured elsewhere on your policy or that cannot be insured by us.
- 1.4 Vehicles, watercraft or aircraft of any type, or railway property.
- 1.5 Vegetation of all types.
- 1.6 Structures other than buildings themselves.
- 1.7 Structures being worked on.
- 1.8 Computers and media equipment.
- 1.9 Brittle articles of any type.
- 1.10 Property not insured under the **Fire, Office Contents, Buildings Combined** or **Electronic Equipment sections** of your policy.

- 2** For loss or damage caused by:
- 2.1 Any event or peril insured or insurable elsewhere on your policy.
  - 2.2 Accidental discharge or leakage of tanks, pipes or other apparatus involving chemicals, oils, fluids, gases or fumes, unless you have opted to include this as an extension of cover.
  - 2.3 Tricks, devices or false pretences practised on you.
  - 2.4 Breakdown, failure or collapse of equipment.
  - 2.5 Work undertaken by you or on your behalf.
  - 2.6 Any action related directly to the insured items, such as (but not limited to) gradual deterioration, gradual processes (e.g. rusting or fading), inherent or latent defects, insects or vermin.
  - 2.7 Any fault of any type related to the insured goods, such as (but not limited to) defects, workmanship or professional advice.
  - 2.8 The failure of supply of public utilities.
- 3** Under the **Malicious damage section**, if stated on the schedule, we will not indemnify you for loss or damage:
- 3.1 Caused by or resulting from riots, wars, political acts, terrorism or any such attempted acts, or any nuclear substances, nationalisation, work stoppage, computer processes or asbestos.
  - 3.2 If your business premises are left unoccupied for a period longer than 30 consecutive days.

## Public Liability

**Under this section you may claim if you are held legally responsible by a third party for death, injuries or damage to property.**

## Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## We will indemnify you:

If you are held legally liable by a South African court of law to pay for damages resulting from accidental death, bodily injury or illness of any person, or accidental loss or physical damage to any tangible property not belonging to you, occurring in the course of or in connection with your business while you are insured with us.

## Maximum amount payable

The maximum we will pay for any claim under this section, including all costs and expenses in defending or representing you, is the sum insured. This is stated in the **Public Liability section** of your schedule.

## Cover automatically included to assist you

### Social activities

We will indemnify you for any claim resulting from your provision of canteen, sport, social, welfare, ambulance, first aid or fire services.

### Private work

We will indemnify you for claims from employees if these arise from private, non-business related work done for any of the stakeholders, directors, partners, principals or management officials of your business, if this work is carried out with your knowledge and consent.



### **Tenant's lease**

We will indemnify you if you are held legally liable by the owner of any building or part of a building you have leased, for loss or damage covered by your policy and stated as your responsibility in your lease agreement.

### **Security organisations**

If you employ a security organisation and this organisation is a fully registered member of the SA Security Association, we will regard any employee of such an organisation as your employee while he/she is carrying out the employment duties stated in the contract you have signed with the security organisation.

### **More than one legal entity included in this policy**

Where more than one legal entity is included in this policy, we will regard each as separate. We will indemnify each party as if a separate policy exists for each.

### **Railway property**

We will indemnify you in terms of any agreement you have with any rail siding or railway property.

### **Emergency medical services**

We will indemnify you if any claims are made against you as a result of your providing emergency medical services after the accidental death or bodily injury or illness of any person.

### **Parking facilities**

We will indemnify you for any claims made against you in connection with the parking facilities you provide for visitors or customers.

### **Food or drink poisoning**

We will indemnify you for claims against you resulting from the consumption of any food or drink you provided at no cost at the insured premises.

### **Work away**

We will indemnify you for legal liability resulting from your business activities at places that are not your usual business premises.

### **Legal defence costs**

Costs you incurred in defending any criminal action in terms of the Criminal Procedure Act (Act No. 51 of 1977) as amended, arising from an alleged contravention of the following statutes:

- 1 The Occupational Health and Safety Act (Act No. 85 of 1993) as amended.
- 2 The Mines and Works Act (Act No. 27 of 1956) as amended.
- 3 The Electricity Act (Act No. 40 of 1958) as amended.
- 4 Any other act or ordinance relating to the supply of electricity.

We will not indemnify you for any fine or penalty imposed against you, or for any amount that exceeds the maximum cover amount stated on your schedule.

### **Wrongful arrest and defamation**

We will indemnify you for claims made against you:

- 1 resulting from wrongful arrest, including assault directly relating to the wrongful arrest; or
- 2 in respect of defamation.

The maximum amount we will pay is stated on your schedule.

## We do not indemnify you:

For legal liability resulting from and/or related to the following:

- 1 Business activities conducted outside the borders of South Africa, Mozambique, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.
- 2 The death, bodily injury or illness of any of your employees or family members.
- 3 The accidental loss of or physical damage to any tangible property in your custody or control.
- 4 Any advice, examination, prescription or treatment given or supplied by you or any of your employees.
- 5 The ownership or use of any motor vehicle or trailer, watercraft, locomotive or rail carriage.
- 6 Any aircraft- or aviation-related activity.
- 7 Any product or other property sold, supplied, repaired, serviced, installed, altered, tested, treated or worked on by you or anyone on your behalf.
- 8 Any form of pollution, contamination or gradual process.
- 9 Any fine, penalty or indirect financial losses.
- 10 Any contractual liability, unless your schedule states that we are providing you with special cover that you are paying a premium for.
- 11 Any claim made against you if you do not notify us of the claim within 60 days.
- 12 The need to make good, repair, remove, rectify, replace or recall any product or work.
- 13 Any electronic device or program.
- 14 Any claim made in terms of any legal system that is not the same as the legal system of South Africa.

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Products Liability

We will indemnify you if you are held legally liable by a third party for death, injuries or damage to property, which was caused by or through or in connection with goods or products (including containers and labels) sold or supplied, including the wrongful delivery and delivery of incorrect goods, by you in connection with your business, happening anywhere in the territories stated on the schedule, other than on your business premises.

The maximum we will pay any claimant or any number of claimants, inclusive of legal costs, for any one event or series of events with one original cause or source, or during any one annual period of insurance, will not exceed the limit of indemnity as stated on the schedule under the **Products Liability section**.

## We do not indemnify you:

- For the cost of repair, alteration, recall or replacement of the goods or products (including containers and labels) that caused injury or damage.
- If your product forms part of other property, whether fixed or movable, and requires demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the goods or products, removal and/or re-installation. The cost of such would not be covered unless there had been physical damage to the other property, which was caused by your product.
- For any claim arising from defective or faulty design, formula, plan or specification of the product.

Unless you are a retailer and your business activities do not include final preparation, which means repackaging, packaging, labelling, cleaning or condition of operating instructions prior to the sale to your original customers, not including any improvement, amendment or alteration to the product.

- For failure of the product to perform as warranted.
- For a product utilised for aviation purposes.

## Defective workmanship liability

We will indemnify you if the part of any property on which you are working or have been working on is damaged as a result of such work done by you. We will also indemnify you if liability results from injury or damage happening after the completion and handing over of any work and is caused by, or through or in connection with, any defect or error in or omission from such work.

The maximum we will pay for any claimant or any number of claimants, including legal costs 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, will not exceed the limit of indemnity as stated on the schedule under **Defective Workmanship Liability**.

## We do not indemnify you:

For the cost:

- of rectifying or recalling defective work;
- arising from inefficacy of such work or because the work did not produce the result anticipated or claimed;
- arising prior to the handing over of such work;
- arising from defective design; or
- arising from any work done on any aircraft or part thereof.

## Trustees liability

We will indemnify you if the Trustees are held legally liable for payments that are not met by the Body Corporate/Home Owners Association. We will also indemnify the Body Corporate/Home Owners Association for amounts they are legally liable to pay for indemnity granted to the Trustees – as permitted or required by the Sectional Title Act and Regulations, as amended from time to time, and the Management Rules.

The maximum we will pay under this section will not exceed the amount stated on the schedule under **Trustees Liability**. This amount will be the total limit of indemnity for a full insurance year. It will be valid for any one claimant or number of claimants for any one event or series of events against the Trustees and/or Body Corporate/Home Owners Association. The amount will also include any legal costs recoverable from your business.

## We do not indemnify you for:

- 1 Any liability for payment of VAT.
- 2 Any remuneration for which the Body Corporate/Home Owners Association or Trustees is/are legally liable.
- 3 Anything that can be claimed or is claimable under another insurance policy or is more specifically insured or excluded by any section of this policy.
- 4 Any loss or liability arising from circumstances that were known to the Trustees and/or Body Corporate/ Home Owners Association before the inception of this policy.
- 5 Claims of death, bodily injury, sickness, disease or damage to property.
- 6 Loss or liability arising out of a publication or utterance of libel or slander, or other defamatory or disparaging material.
- 7 The gaining of any personal profit or advantage by any Trustee(s) that they were not legally entitled to or for which they may be held accountable to the Body Corporate/Home Owners Association or any individual member thereof.

- 8 Any unlawful act(s) or omissions committed by any Trustee(s) with the knowledge that such action(s) are criminal or illegal, fraudulent or dishonest, or of malicious intent.
- 9 Fines, penalties, punitive or exemplary, vindictive or aggravated damages or any additional damages resulting from the multiplication of compensatory damages.
- 10 Monies or gratuity given to any Trustee(s) without authorisation by the Body Corporate/Home Owners Association where this is necessary pursuant to the Management Rules of the Body Corporate/Home Owners Association or prescribed law.
- 11 A conflict of duty or interest of any Trustee(s).
- 12 Any intentional exercise of the power of the Trustee(s) for a purpose other than the purpose for which such powers were conferred by the Management Rules of the Body Corporate/Home Owners Association.
- 13 Any wrongful act made or in any way intimated before the inception date of this policy.
- 14 Damages in respect of judgements delivered or obtained in the first instance other than by a court competent of jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland.
- 15 Any costs and expenses of litigation recovered by any claimant from the Trustee(s) and/or Body Corporate/Home Owners Association that are not incurred and recoverable in the area as described in point 14 above.

## Employers' Liability

**Under this section you may claim if an employee holds you legally responsible for accidental death, injuries or illness.**

### Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

### We will indemnify you:

If you are held legally liable by a South African court of law to pay for damages resulting from an employee's accidental death, bodily injury or illness, occurring in connection with your business, suffered while the employee was carrying out his/her duties of employment.

### Maximum indemnification

The maximum we will pay for any claim under this section, including all costs and expenses in defending or representing you against one or any number of claimants, is the sum insured. This is stated in the **Employers' Liability section** of your schedule.

### Cover automatically included to assist you

#### Your principal

Where you and your principal are liable for the same damages and where any contract or agreement between you so requires, we will also indemnify your principal for liability to your employees for death, bodily injury or illness resulting from your negligence or the negligence on the side of your employees. The same conditions of cover that apply to you will apply to your principal under this section.

### We do not indemnify you:

If your legal liability is related to:

- 1 Any contract for the performance of work outside South Africa.
- 2 Advice, examination, prescription or treatment given or supplied by you or any of your employees.

- 3 The ownership or use of any motor vehicle or trailer, watercraft, locomotive or rail carriage.
- 4 Aircraft or aviation activity in any way.
- 5 Any product or other property sold, supplied, repaired, serviced, installed, altered, tested, treated or worked on by yourself or on your behalf.
- 6 Any form of pollution, contamination or gradual process.
- 7 Fines, penalties or indirect financial losses.
- 8 Any contract other than a contract of employment.
- 9 Claims of which you were notified, but did not report to us within 60 days.
- 10 The need to make good, repair, remove, rectify, replace or recall any product or work.
- 11 Electronic devices or programs.
- 12 The use of firearms.
- 13 Claims made in terms of legal systems that are not the same as the legal system of South Africa.
- 14 Claims that can be recovered from statute insurance facilities.

## Group Personal Accident

**Under this section you may claim if an insured principal, business partner, director or employee, referred to as the insured, of the insured business becomes permanently disabled, incurs non-medical expenses or dies as a result of an accident.**

### Excess

Every time something happens for which you claim, you must pay the basic excess, as well as any additional excesses on your schedule.

### Definitions

The following definitions will apply to this section:

#### Accident

Bodily injury caused by accidental, violent, external and visible means to any insured person resulting directly in death or permanent disability within 24 months of such an injury. The accident was not caused by a natural event or self-inflicted.

Death, disability or non-medical expenses in respect of the insured.

#### Permanent disablement

Permanent disablement that entirely prevents the insured from gaining employment of any kind, which is likely to last for the remainder of the insured's life. The permanent nature of this condition will be determined in the six-month period after the accident and must be substantiated by medical evidence.

### We will pay you:

- 1 If the insured should die as a result of an accident arising from and in the course of his/her involvement with the insured business, the insured's nominated beneficiary or estate will be paid out according to the scale of benefits.
- 2 If the insured should suffer permanent disablement as a result of an accident arising from and in the course of his/her involvement with the insured business, the insured or nominated beneficiary or estate will be paid out according to the scale of benefits.

- 3 Bodily injury will be deemed to include injury caused by starvation, thirst and/or exposure to the elements as a direct or indirect result/s of the accident.
- 4 In the event of the disappearance under circumstances that indicate beyond reasonable doubt that the insured sustained injuries that resulted in his/her death, we will presume the death of the insured and pay the claim accordingly. If the insured person is found to be alive after such payment, you will be liable for full repayment of the claimed amount.

## Maximum indemnification

### Death or permanent disablement

The maximum we will pay for any claim under the death or permanent disablement section is the percentage of the sum insured as indicated in the scale of benefits. 100% will be the maximum payable for permanent disablement resulting from an accident or series of accidents arising from one cause in respect of any one person.

The insured value you have selected for death and permanent disablement are stated in the **Group Personal Accident section** of your schedule.

### Accumulation Limit for Death and Permanent Disablement

The maximum we will pay for any claim involving any number of insured persons resulting from an accident or series of accidents arising from one cause is stated on your schedule.

### Non-medical expense cover

The maximum we will pay for any claim for non-medical expense cover associated with hospitalisation as a result of an accident is stated in the **Group Personal Accident section** of your schedule. Cover will be provided from the first day of hospitalisation unless payment in respect of permanent disablement or death becomes payable.

This benefit will be paid to the policyholder and not the hospital or health service provider.

**This is not a medical scheme and cover is not the same as that of a medical scheme, nor is this a substitute for a medical scheme membership.**

## Scale of benefits

Section	Percentage
<b>Death</b>	
Death of the insured person	100%
<b>Permanent Disablement</b>	
Permanent disablement	100%
Permanent and incurable paralysis of all limbs	100%
Loss of both hands or both feet	100%
Permanent and total loss of sight in both eyes	100%
Permanent and total loss of sight in one eye	100%
Loss of sight, except loss of light perception	75%
Permanent and total loss of hearing in	
• Both ears	100%
• One Ear	25%
Permanent and total loss of speech	100%
Loss of limb (one hand or foot)	100%
Loss of four fingers on either hand	70%
Loss of thumb	
• Both joints	25%
• One Joint	10%
Loss of fingers on either hand	
• Three joints	10%
• Two joints	8%
• One joint	5%
Loss of toes on either foot	
• All on one foot	30%
• Both joints of the big toe	10%
• One joint of the big toe	5%
• Other than the big toe (each)	5%
Permanent and total loss of use of part of the body shall be treated as loss of such part.	

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Burns disfigurement

In the case of permanent disablement, we will also pay you for permanent disfigurement resulting from accidental external burns.

For burns on more than 10% of the combined surface area of the face and neck, you will receive a proportionate 50% of the amount insured for 100% surface area disfigurement.

Where burns occurred on remaining parts of the body, other than the face and neck, 25% of the amount insured will be paid proportionately to 100% surface area disfigurement.

## We do not pay compensation under this section of the policy for:

- 1 More than the compensation payable for death or permanent disability (whichever is the higher); for death resulting from an accident or a series of accidents arising from one cause in respect of any insured person.
- 2 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.
- 3 Death, disability or non- medical expenses in respect of the insured
  - a While they are 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 Their suicide or intentional self-injury;
  - c Injury or death caused solely by any pre-existing condition, physical defects, illnesses or other infirmity of the insured;
  - d Temporary disablement of any nature;
  - e Accident related medical expenses;
  - f Injury or death incurred or happening whilst the insured is under the influence of alcohol, drugs or narcotics unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than the insured person himself/herself);
  - g As a result of their participation in any riot or civil commotion;
  - h In the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any consequences of the above;
  - i While they are, or as a result of their, engaging in:
    - motor cycling (whether as a driver or passenger) other than on the business of the insured;
    - racing of any kind involving the use of any power-driven:
      - vehicle
      - vessel
      - craft
  - j Mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechase, professional sport or hang-gliding.
- 4 Claims where the death of the insured person is delayed solely by the use, for periods of not less than three consecutive days or longer, of life support machinery, equipment or apparatus.



# Motor – Comprehensive

Under this section you may claim for any accident damage to your insured vehicle, or if it is stolen. You may also claim for the damage you caused to other parties' property.

## Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## We will indemnify you for:

### The vehicle

The vehicle is comprehensively insured. We will indemnify you if it is damaged or stolen. The most we will pay for the vehicle is its value stated on the schedule. If the vehicle is financed, we must first pay the finance company after deduction of the excess/es. If parts for the vehicle are not available, and it delays the repairs, we will not indemnify you for the inconvenience or money you lose or for any liability you may incur because of the delay.

### Towing and storage

The reasonable cost to store or to tow the vehicle to the closest repairer. You will be personally responsible for the cost of the towing and storage of your vehicle if you do not call the towline number and use the approved towing operator we appoint.

### Medical costs

If the vehicle is in an accident and any person in it is injured, we will pay up to **R5 000** towards the medical costs of each injured person.

### Other parties

- 1 We will indemnify another party on your behalf for damages, costs and expenses if the insured driver is legally responsible for an accident that caused damage to another party's property. The accident must have been caused by or be in connection with:
  - a. the vehicle insured on this policy;
  - b. a vehicle, motorcycle, trailer or caravan that was towed by the vehicle you have insured on this policy; or
  - c. a vehicle that is not on the policy, but that the insured driver personally drove, as long as he/she does not own it or have it under a hire or credit agreement. We will not be responsible for the vehicle he/she drove or the trailer or caravan that was towed by the vehicle.
- 2 We will also indemnify the other party for damages, costs and expenses caused by any person (excluding passengers) who drove or used the insured vehicle with your permission, provided that this person complies with all terms and conditions of this policy. This person may also not have a claim against another policy.

The maximums we will pay under this sub-section are stated on your schedule. These limits are per incident.

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Sound system

The vehicle's sound equipment, hands-free phone kits and citizen band radios.

### Hail damage

Hail damage to the vehicle.

## Canopy

The canopy of the vehicle.

## Accessories

Only vehicle accessories that are noted on the schedule will be covered.

## Vehicle hire

A hired vehicle through our preferred supplier, up to the maximum stated on the schedule, while your vehicle is being repaired after an accident, and/or if your vehicle is stolen. Vehicle hire will be granted provided you have a valid claim.

## Loss of use

A cash pay-out, up to the maximum number of days and rand value as stated on your schedule; while your vehicle is being repaired after an accident, and/or if your vehicle is stolen. Loss of use will be granted provided you have a valid claim.

## Passenger Liability

Third party claims made against you by any person being carried in, or on, the insured vehicle described in your schedule, whether or not such persons are authorised to be in or on the vehicle, within South Africa. All claims for death or injury in a road accident need to be referred to the Road Accident Fund.

This covers you for passenger liability claims for secondary emotional shock of a person who witnessed, observed or was informed of the accident and in the event that the RAF is unable to pay compensation for a valid claim incurred.

## Cover automatically included to assist you

### Loss of keys

If the keys of an insured vehicle are lost accidentally and it can be proven that an unauthorised person may be in possession of these keys, we will indemnify you for the cost of changing the locks and keys. Cover will include all forms of electronic locks and engine ignition systems.

### Riots outside South Africa/Namibia

We will indemnify you for loss or damage to the insured vehicle should this happen as a result of riots or strikes outside South Africa and Namibia. Cover will not apply if the riot or strike is not politically motivated or related. All other exclusions of this policy will still apply.

### Wreckage removal

We will indemnify you for the removal of the insured vehicle if the authorities demand you do this to prevent or reduce environmental damage.

## We do not indemnify you for:

### No licence, under the influence, endorsed licence or invalid licence

If this vehicle or any other vehicle is being driven by the regular driver, or in the case of this vehicle, by any person who has the general consent of the regular driver to drive this vehicle, and if the driver:

- 1 is not licensed to drive or drives while under the influence of alcohol or drugs, or while the percentage of alcohol in the driver's blood exceeds the legal limit or when the driver fails a breathalyser test;
- 2 has an endorsed licence, whether the endorsement is displayed on the licence or is on record with the authorities for negligent, reckless or drunken driving, or for driving while the percentage of alcohol in that person's blood exceeds the legal limit; or
- 3 does not have a public driving permit (if the purpose of the vehicle is for the transport of fare-paying passengers and is stated as such on the schedule).

### **Vehicle not roadworthy**

When the vehicle or the caravan or trailer that it tows is involved in an accident and it is not in a roadworthy condition as defined in the legislation relating to roadworthiness, or when the law or traffic regulations do not allow towing.

### **Unauthorised use of vehicle**

If someone uses the insured vehicle without your knowledge and consent and you have not laid a criminal charge against them with the police within 48 hours. You may also not withdraw the charge.

### **Vehicle being hired out or used for racing**

If the insured vehicle is used for hiring, racing (incl. test runs), rallies, speed testing, trial runs, endurance test or competition, unless otherwise selected and reflected on the schedule for that specific vehicle.

### **Vehicle used to transport heavy loads**

If the insured vehicle is used to carry any load or number of people in excess of its registered capacity.

### **Vehicle used in the motor trade**

When the insured vehicle is used in connection with the motor trade, unless it is in for service or repairs.

### **Vehicle used in certain countries outside South Africa**

When the vehicle is used outside South Africa, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland and Zimbabwe. We will not indemnify other parties on your behalf when the vehicle is used outside South Africa.

### **Death or injury of a household member or employee**

If a member of your household dies or is injured in an accident or if a person who works for you dies or is injured while he/she is working, unless such a person would be regarded as a third party by a court of law.

### **Property in your possession and that of your household members**

For your property and the property of your household members, and other property that you and your household members have with them at the time of the accident.

### **Cover under the Road Accident Fund**

For what will be paid for under the compulsory motor vehicle insurance legislation.

### **Consequential or contractual loss**

Other further loss you may suffer as a result of an accident involving the insured vehicle.

### **Reduction in value**

If the vehicle's value depreciates due to damage caused in an accident involving the insured vehicle.

### **Lack of maintenance**

If you suffer loss or damage because the vehicle has not been maintained and serviced to ensure that it will be in good working order.

### **Wear and tear due to usage**

Where you suffer gradual loss and damage related to the normal daily use of the vehicle.

# Motor – Third Party, Fire and Theft

Under this section you may claim for certain specified damage to your insured vehicle, or if it is stolen. You may also claim for the damage you caused to other parties' property. You may not claim for accident damage to your vehicle.

## Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## We will indemnify you for:

### The vehicle

The vehicle is insured for third party, fire and theft. We will indemnify you if it is damaged as a direct result of fire, explosion, lightning or an attempted theft, or if it is stolen.

The most we will pay for the vehicle is its value stated on the schedule. If the vehicle is financed, we must first pay the finance company. If parts for the vehicle are not available, and it delays the repairs, we will not indemnify you for the inconvenience or money you lose or for any liability you may incur because of the delay.

### Towing and storage

The reasonable cost to store or to tow the vehicle to the closest repairer if it was damaged by any of the perils covered under this section. You will be personally responsible for the cost of the towing and storage of your vehicle if you do not call the towline number and use the approved towing operator we appoint.

### Medical costs

If the vehicle is in an accident and any person in it is injured, we will pay up to **R5 000** towards the medical costs of each injured person.

### Other parties

- 1 We will indemnify another party on your behalf for damages, costs and expenses if the insured driver is legally responsible for an accident that caused damage to another party's property. The accident must have been caused by or be in connection with:
  - a. the vehicle insured on this policy;
  - b. a vehicle, motorcycle, trailer or caravan that was towed by the vehicle you have insured on this policy; or
  - c. a vehicle that is not on the policy, but that the insured driver personally drove, as long as he/she does not own it or have it under a hire or credit agreement. We will not be responsible for the vehicle he/she drove or the trailer or caravan that was towed by the vehicle.
- 2 We will also indemnify the other party for damages, costs and expenses caused by any person (excluding passengers) who drove or used the insured vehicle with your permission, provided that this person complies with all terms and conditions of this policy. This person may also not have a claim against another policy.

The maximums we will pay under this sub-section are stated on your schedule. These limits are per incident.

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Sound system

The vehicle's sound equipment, hands-free phone kits and citizen band radios.

## **Windscreen and window glass**

Damage to the windscreen and window glass of the vehicle.

## **Canopy**

The canopy of the vehicle.

## **Accessories**

Only vehicle accessories that are noted on the schedule will be covered.

## **Vehicle hire**

A hired vehicle through our preferred supplier, up to the maximum stated on the schedule, if your vehicle is stolen. Vehicle hire will be granted provided you have a valid claim.

## **Loss of use**

A cash pay-out, up to the maximum number of days and rand value as stated on your schedule, if your vehicle is stolen. Loss of use will be granted provided you have a valid claim.

## **Passenger Liability**

Third party claims made against you by any person being carried in, or on, the insured vehicle described in your schedule, whether or not such persons are authorised to be in or on the vehicle, within South Africa. All claims for death or injury in a road accident need to be referred to the Road Accident Fund.

This covers you for passenger liability claims for secondary emotional shock of a person who witnessed, observed or was informed of the accident and in the event that the RAF is unable to pay compensation for a valid claim incurred.

# **Cover automatically included to assist you**

## **Loss of keys**

If the keys of an insured vehicle are lost accidentally and it can be proven that an unauthorised person may be in possession of these keys, we will indemnify you for the cost of changing the locks and keys. Cover will include all forms of electronic locks and engine ignition systems.

## **Riots outside South Africa/Namibia**

We will indemnify you for loss or damage to the insured vehicle should this happen as a result of riots or strikes outside South Africa and Namibia. Cover will not apply if the riot or strike is not politically motivated or related. All other exclusions of this policy will still apply.

## **Wreckage removal**

We will indemnify you for the removal of the insured vehicle if the authorities demand you do this to prevent or reduce environmental damage.

# **We do not indemnify you for:**

## **No licence, under the influence, endorsed licence or invalid licence**

If this vehicle or any other vehicle is being driven by the regular driver, or in the case of this vehicle, by any person who has the general consent of the regular driver to drive this vehicle, and if the driver:

- 1** is not licensed to drive or drives while under the influence of alcohol or drugs, or while the percentage of alcohol in the driver's blood exceeds the legal limit or when the driver fails a breathalyser test;
- 2** has an endorsed licence, whether the endorsement is displayed on the licence or is on record with the authorities for negligent, reckless or drunken driving, or for driving while the percentage of alcohol in that person's blood exceeds the legal limit; or

- 3** does not have a public driving permit (if the purpose of the vehicle is for the transport of fare-paying passengers and is stated as such on the schedule).

### **Vehicle not roadworthy**

When the vehicle or the caravan or trailer that it tows is involved in an accident and it is not in a roadworthy condition as defined in the legislation relating to roadworthiness, or when the law or traffic regulations do not allow towing.

### **Unauthorised use of vehicle**

If someone uses the insured vehicle without your knowledge and consent and you have not laid a criminal charge against them with the police within 48 hours. You may also not withdraw the charge.

### **Vehicle being hired out or used for racing**

If the insured vehicle is used for hiring, racing (incl. test runs), rallies, speed testing, trial runs, endurance test or competition, unless otherwise selected and reflected on the schedule for that specific vehicle.

### **Vehicle used to transport heavy loads**

If the insured vehicle is used to carry any load or number of people in excess of its registered capacity.

### **Vehicle used in the motor trade**

When the insured vehicle is used in connection with the motor trade, unless it is in for service or repairs.

### **Vehicle used in certain countries outside South Africa**

When the vehicle is used outside South Africa, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland and Zimbabwe. We will not indemnify other parties on your behalf when the vehicle is used outside South Africa.

### **Death or injury of a household member or employee**

If a member of your household dies or is injured in an accident or if a person who works for you dies or is injured while he/she is working, unless such a person would be regarded as a third party by a court of law.

### **Property in your possession and that of your household members**

For your property and the property of your household members, and other property that you and your household members have with them at the time of the accident.

### **Cover under the Road Accident Fund**

For what will be paid for under the compulsory motor vehicle insurance legislation.

### **Lack of maintenance**

If you suffer loss or damage because the vehicle has not been maintained and serviced to ensure that it will be in good working order.

### **Wear and tear due to usage**

Where you suffer gradual loss and damage related to the normal daily use of the vehicle.

# Motor – Third Party Only

Under this section you may only claim for the damage you caused to other parties' property.

## Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## We will indemnify you for:

### The vehicle

The vehicle is insured for third party only. We will only indemnify you for damage you caused to other parties or their property. We will not indemnify you if the vehicle is damaged or lost.

### Medical costs

If the vehicle is in an accident and any person in it is injured, we will pay up to **R5 000** towards the medical costs of each injured person.

### Other parties

- 1 We will indemnify another party on your behalf for damages, costs and expenses if the insured driver is legally responsible for an accident that caused damage to another party's property. The accident must have been caused by or be in connection with:
  - a. the vehicle insured on this policy;
  - b. a vehicle, motorcycle, trailer or caravan that was towed by the vehicle you have insured on this policy; or
  - c. a vehicle that is not on the policy, but that the insured driver personally drove, as long as he/she does not own it or have it under a hire or credit agreement. We will not be responsible for the vehicle he/she drove or the trailer or caravan that was towed by the vehicle.
- 2 We will also indemnify the other party for damages, costs and expenses caused by any person (excluding passengers) who drove or used the insured vehicle with your permission, provided that this person complies with all terms and conditions of this policy. This person may also not have a claim against another policy.

The maximums we will pay under this sub-section are stated on your schedule. These limits are per incident.

## Optional cover

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### Sound system

The vehicle's sound equipment, hands-free phone kits and citizen band radios.

### Passenger Liability

Third party claims made against you by any person being carried in, or on, the insured vehicle described in your schedule, whether or not such persons are authorised to be in or on the vehicle, within South Africa. All claims for death or injury in a road accident need to be referred to the Road Accident Fund.

This covers you for passenger liability claims for secondary emotional shock of a person who witnessed, observed or was informed of the accident and in the event that the RAF is unable to pay compensation for a valid claim incurred.

## **We do not indemnify you for:**

### **No licence, under the influence, endorsed licence or invalid licence**

If this vehicle or any other vehicle is being driven by the regular driver, or in the case of this vehicle, by any person who has the general consent of the regular driver to drive this vehicle, and if the driver:

- 1** is not licensed to drive or drives while under the influence of alcohol or drugs, or while the percentage of alcohol in the driver's blood exceeds the legal limit or when the driver fails a breathalyser test;
- 2** has an endorsed licence, whether the endorsement is displayed on the licence or is on record with the authorities for negligent, reckless or drunken driving, or for driving while the percentage of alcohol in that person's blood exceeds the legal limit; or
- 3** does not have a public driving permit (if the purpose of the vehicle is for the transport of fare-paying passengers and is stated as such on the schedule).

### **Vehicle not roadworthy**

When the vehicle or the caravan or trailer that it tows is involved in an accident and it is not in a roadworthy condition as defined in the legislation relating to roadworthiness, or when the law or traffic regulations do not allow towing.

### **Unauthorised use of vehicle**

If someone uses the insured vehicle without your knowledge and consent and you have not laid a criminal charge against them with the police within 48 hours. You may also not withdraw the charge.

### **Vehicle being hired out or used for racing**

If the insured vehicle is used for hiring, racing (incl. test runs), rallies, speed testing, trial runs, endurance test or competition, unless otherwise selected and reflected on the schedule for that specific vehicle.

### **Vehicle used to transport heavy loads**

If the insured vehicle is used to carry any load or number of people in excess of its registered capacity.

### **Vehicle used in the motor trade**

When the insured vehicle is used in connection with the motor trade, unless it is in for service or repairs.

### **Vehicle used in certain countries outside South Africa**

When the vehicle is used outside South Africa, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland and Zimbabwe. We will not indemnify other parties on your behalf when the vehicle is used outside South Africa.

### **Death or injury of a household member or employee**

If a member of your household dies or is injured in an accident or if a person who works for you dies or is injured while he/she is working, unless such a person would be regarded as a third party by a court of law.

### **Property in your possession and that of your household members**

For your property and the property of your household members, and other property that you and your household members have with them at the time of the accident.

### **Cover under the Road Accident Fund**

For what will be paid for under the compulsory motor vehicle insurance legislation.



# Motorcycle

Under this section you may claim if your motorcycle is damaged or stolen. You may also claim for the damage you caused to other parties' property.

## Excess

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## We will indemnify you for:

### The motorcycle

The motorcycle is comprehensively insured. We will indemnify you if the motorcycle is damaged or stolen.

The most we will pay for the motorcycle is its reasonable market value, or the stated value on the schedule, whichever is the lesser. If the motorcycle is financed, we must first pay the finance company. If parts for the motorcycle are not available, and it delays the repairs, we will not indemnify you for the inconvenience or money you lose, or for any liability you may incur because of the delay.

### Towing and storage

The reasonable cost to store or to tow the motorcycle to the closest repairer. You will be personally responsible for the cost of the removal and storage of your motorcycle if you do not call the towline number and use the approved towing operator we appoint.

### Accessories

Stolen accessories if the motorcycle is stolen at the same time.

### Other parties

We will indemnify the other party on your behalf for damages, costs and expenses if the regular driver is legally responsible for an accident caused by or in connection with the motorcycle, which caused damage to another party's property.

The maximums we will pay under this sub-section are stated on your schedule. These limits are per incident.

## We do not indemnify you for:

### No licence, under the influence, endorsed licence or invalid licence

- 1 When the driver of the motorcycle is not licensed to drive, or drives while under the influence of alcohol or drugs, or while the percentage of alcohol in the driver's blood exceeds the legal limit or when the driver fails a breathalyser test.
- 2 When the driver of the motorcycle has an endorsed licence, whether the endorsement is displayed on the licence or is on record with the authorities for negligent, reckless or drunken driving, or for driving while the percentage of alcohol in that person's blood exceeds the legal limit.

### Motorcycle not roadworthy

When the motorcycle is not in a roadworthy condition as defined in the legislation relating to roadworthiness.

### Unauthorised use of motorcycle

If someone uses the motorcycle without your knowledge and consent and you have not laid a criminal charge against them with the police within 48 hours. You may also not withdraw the charge.

### Motorcycle used for racing

If the motorcycle is used for racing (incl. test runs), rallies, speed testing, trial runs and endurance test or competition.

### **Motorcycle used in the motor trade**

When the insured motorcycle is used in connection with the motor trade, unless it is in for service or repairs.

### **Motorcycle used in certain countries outside South Africa**

When the insured motorcycle is used outside South Africa, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland and Zimbabwe. We will not indemnify other parties on your behalf when the motorcycle is used outside South Africa.

### **Death or injury of a household member or employee**

If a member of your household dies or is injured in an accident or if a person who works for you dies or is injured while he/she is working.

### **Property in your possession and that of your household members**

For your property and the property of your household members, and other property that you and your household members have with them at the time of the accident.

### **Cover under the Road Accident Fund**

For what will be paid for under the compulsory motor vehicle insurance legislation.

### **Death or injury of any person**

For the death or the injury of any person who travels on, mounts or dismounts the insured motorcycle.

## **Trailer**

**Under this section you may claim if your trailer is damaged or stolen. You may also claim for the damage you caused to other parties' property.**

## **Excess**

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## **We will indemnify you for:**

### **The trailer**

The trailer is comprehensively insured. We will indemnify you if the trailer is damaged or stolen.

The most we will pay for the trailer is its reasonable market value, or the stated value on the schedule, whichever is the lesser. If the trailer is financed, we must first pay the finance company. If parts for the trailer are not available, and it delays the repairs, we will not indemnify you for the inconvenience or money you lose or for any liability you may incur because of the delay.

### **Towing and storage**

The reasonable cost to store or to tow the trailer to the closest repairer.

### **Other parties**

We will indemnify the other party on your behalf for damages, costs and expenses if you are legally responsible for an accident caused by or in connection with the trailer, which caused damage to another party's property.

The maximums we will pay under this sub-section for your liability as a trailer owner are stated on your schedule. These limits are per incident.

## **We do not indemnify you for:**

### **No licence, under the influence, endorsed licence or invalid licence**

If the trailer is towed by a vehicle driven by you, or by any person who has your general consent, and the driver:

- 1** is not licensed to drive, or drives while under the influence of alcohol or drugs, or while the percentage of alcohol in the driver's blood exceeds the legal limit or when the driver fails a breathalyser test; or
- 2** has an endorsed licence, whether the endorsement is displayed on the licence or is on record with the authorities for negligent, reckless or drunken driving, or for driving while the percentage of alcohol in that person's blood exceeds the legal limit.

### **Vehicle or trailer not roadworthy**

When the insured trailer or the vehicle towing it is not in a roadworthy condition as defined in the legislation relating to roadworthiness, or when the law or traffic regulations do not allow towing.

### **Trailer used in certain countries outside South Africa**

When the insured trailer is used outside South Africa, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland and Zimbabwe. We will not indemnify other parties on your behalf when the trailer is used outside South Africa.

### **Death or injury of a household member or employee**

If a member of your household dies or is injured in an accident or if a person who works for you dies or is injured while he/she is working.

### **Property in your possession and that of your household members**

For your property and the property of your household members, and other property that you and your household members have with them at the time of the accident, or things inside the trailer.

### **Cover under the Road Accident Fund**

For what will be paid for under the compulsory motor vehicle insurance legislation.

### **Death or injury of any person**

For any person who was in the insured trailer at the time of the accident.

## **Golf Cart**

**Under this section you may claim if your golf cart is damaged or stolen. You may also claim for the damage you caused to other parties' property.**

## **Excess**

Every time something happens for which you claim, you must pay the basic excess. You must also pay any of the additional excesses on the schedule, on top of the basic excess.

## **We will indemnify you for:**

### **The golf cart**

If you have selected comprehensive cover for your golf cart and your schedule states that you are paying a premium for it, we will indemnify you if the golf cart is damaged or stolen. The most we will pay for the golf cart is its reasonable market value, or the stated value on the schedule, whichever is the lesser.

If the golf cart was stolen, we do not have to indemnify you for up to four weeks from the time you tell us about it. If the golf cart is financed, we must first pay the finance company. If parts for the golf cart are not available, and it delays the repairs, we will not indemnify you for the inconvenience or money you lose, or for any liability you may incur because of the delay.

### **Towing and storage**

The reasonable cost to store or to tow the golf cart to the closest repairer.

### **Other parties**

We will indemnify the other party on your behalf for damages, costs and expenses if you are legally responsible for an accident caused by or in connection with the golf cart, which caused damage to another party's property.

The maximums we will pay under this sub-section for your liability as a golf cart owner are stated on your schedule. These limits are per incident.

## **Optional cover**

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### **Passenger Liability**

Third party claims made against you by any person being carried in, or on, the insured vehicle described in your schedule, whether or not such persons are authorised to be in or on the vehicle, within South Africa. All claims for death or injury in a road accident need to be referred to the Road Accident Fund.

This covers you for passenger liability claims for secondary emotional shock of a person who witnessed, observed or was informed of the accident and in the event that the RAF is unable to pay compensation for a valid claim incurred.

## **We will not indemnify you for:**

### **No licence, under the influence or endorsed licence**

- 1** If the golf cart is driven by you, or by any person who has your general consent, and the driver:
  - a. does not have a Public Driving Permit (unless the golf cart is only covered for social, domestic and pleasure purposes with trips between your home and your permanent place of work); or
  - b. is not licensed to drive, or drives while under the influence of alcohol or drugs, or while the percentage of alcohol in the driver's blood exceeds the legal limit or when the driver fails a breathalyser test; or
  - c. has an endorsed licence, whether the endorsement is displayed on the licence or is on record with the authorities for negligent, reckless or drunken driving, or for driving while the percentage of alcohol in that person's body exceeds the legal limit.
- 2** If the golf cart is towed by a vehicle driven by you, or by any person who has your general consent, and the driver:
  - a. is not licensed to drive, or drives while under the influence of alcohol or drugs, or while the percentage of alcohol in the driver's blood exceeds the legal limit or when the driver fails a breathalyser test; or
  - b. has an endorsed licence, whether the endorsement is displayed on the licence or is on record with the authorities for negligent, reckless or drunken driving, or for driving while the percentage of alcohol in that person's blood exceeds the legal limit.

### **Golf cart not roadworthy**

When the golf cart or the vehicle towing it is not in a roadworthy condition as is defined in the legislation relating to roadworthiness, or when the law or traffic regulations do not allow towing.

### **Golf cart used in certain countries outside South Africa**

When the golf cart is used outside South Africa, Botswana, Lesotho, Malawi, Mozambique, Namibia, Swaziland and Zimbabwe. We will not indemnify other parties on your behalf when the golf cart is used outside South Africa.

## Death or injury of a household member or employee

If a member of your household dies or is injured in an accident or if a person who works for you dies or is injured while he/she is working.

## Property in your possession and that of your household members

For your property and the property of your household members, and other property that you and your household members have with them at the time of the accident, or things inside the golf cart.

## Cover under the Road Accident Fund

For what will be paid for under the compulsory motor vehicle insurance legislation.

# Machinery Breakdown Insurance

**Under this section you may insure against sudden and unforeseen physical damage to any machinery (or any part thereof) described on your schedule, occurring at your premises and during your period of insurance from any cause not specifically excluded, while your insured machinery is:**

- a at work or at rest; or
- b being dismantled for the purpose of cleaning, inspection, overhaul or removal to another position in the premises or in the course of these operations themselves or subsequent re-assembly.

The maximum indemnity payable for any benefit, legal liability, loss or damage insured under this section of your policy is stated on your schedule.

Please check that the cover that you requested is correctly stated on your schedule and is in accordance with your intentions, requests or needs.

## Excess

In the event of a claim you may be liable for the first amount payable, the excess. Please check your schedule which will state the excess amount, if any is applicable.

## Special condition

The sum insured will at all times be the new replacement value of each item of machinery including freight dues, customs duties and assembly costs.

## We will indemnify you for:

The costs of repair or replacement of your machinery as a result of sudden and unforeseen physical damage as described on your schedule, occurring at your premises and during your period of insurance, while your insured machinery is:

- a at work or at rest; or
- b being dismantled for the purpose of cleaning, inspection, overhaul or removal to another position in the premises or in the course of these operations themselves or subsequent re-assembly.

The basis for settlement of any such loss will be:

- Partial Damage

Where your insured machinery can be repaired, we will pay the costs reasonably and necessarily incurred to restore it to its state of serviceability immediately before the occurrence of the damage but not exceeding the applicable Total Loss indemnity. Unless specially provided for, the costs of express delivery, overtime, Sunday and holiday rates will be excluded.

- **Total Loss**

If the cost of repairs as detailed above equals or exceeds the actual value of the machinery immediately before the occurrence then such machinery will be regarded as a Total Loss and we will pay the actual value of the machinery immediately before the occurrence which will be calculated as its new replacement value less your excess. Normal dismantling costs will also be paid.

## **What happens if you are underinsured**

You must insure each item of machinery for its replacement value including freight dues, customs duties and assembly costs. You must ensure that you increase the value of your cover to keep the values up to date with the replacement costs.

If you claim, we will calculate the replacement value for which you should have insured your machine property. If you have insured for less than that amount, we will only pay a part of your claim.

## **Cover automatically included to assist you**

### **Consultant's fees**

The sum insured will include architect's, quantity surveyor's and consulting engineer's fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily and actually incurred during the reinstatement or replacement of your insured machinery following the damage but the amount payable under this cover will be limited to a maximum of 10% of the amount of the loss paid in respect of such loss or damage.

## **Optional cover**

If you have selected the cover as described below and your schedule states that you are paying a premium for it.

### **Clearance costs**

Your insurance includes costs necessarily incurred by you while demolishing or dismantling machinery, removing debris from your premises and in providing the assembly of and/or maintaining any hoardings required during demolition, debris removal and reconstruction following damage to insured machinery.

## **We will not indemnify you for:**

- 1 loss or damage due to fire, extinguishing of the fire or subsequent demolition, direct lightning, chemical explosion (except flue gas explosions in boilers), impact by animals or vehicles, aircraft or other aerial devices or articles dropped therefrom, theft or attempt thereat, malicious act, collapse of buildings, subsidence, landslip, escape of water from water containing apparatus, storm, wind, water, flood, inundation, hail, snow, earthquake (whether arising from mining operations or otherwise), volcanic eruption, avalanche, hurricane, cyclone or other natural catastrophes or convulsions of nature.

The term explosion does not include bursting or disruption of turbines, compressors, transformers; oil immersed switchgear, cylinders of steam engines, hydraulic cylinders, flywheels or other apparatus subject to centrifugal force.

- 2 damage resulting from experiments, overloads, tests requiring the imposition of abnormal conditions or misapplication of tools.
- 3 damage for which the manufacturer, contractor, supplier, repairer or lessor is responsible either by law or under contract.
- 4 any costs of replacing, reinstating or making good on:
  - a wear and tear and gradual deterioration;
  - b expendable parts and tools such as but not limited to valves, tubes, belts, chains, seals, bits, cutters, knives, blades, dies, patterns, rollers, sieves unless caused by external means or in connection with other insured damage;
  - c foundations and masonry.

- 5 loss of or damage to exchangeable tools (for example but not restricted to dies, moulds, engraved cylinders), parts that by their use and/or nature suffer a high rate of wear and depreciation (for example, but not restricted to, refractory linings, crushing hammers), objects made of glass, belts, ropes, wires, rubber tyres, and operating media (for example but not restricted to lubricants, fuels, catalysts).
- 6 loss or damage caused by any faults or defects within your or your representatives knowledge existing at the time of commencement of this section, whether such faults or defects were known to us or not.
- 7 loss or damage as a direct consequence of the continual influence of operation (for example but not restricted to wear and tear, cavitation, erosion, corrosion, rust, boiler scale).
- 8 consequential loss or liability of any kind or description.
- 9 Foundations: The machinery described in the schedule does not include any foundations unless specifically mentioned in the schedule.
- 10 Refractories and masonry: The machinery described in the schedule does not include any masonry or refractories unless specifically mentioned on your schedule in which case the insurers' liability shall be limited to damage to refractories consequent upon other indemnifiable damage and their liability shall not exceed the residual value of such refractories.

## Machinery Breakdown Business Interruption

**The maximum indemnity or settlement payable for any benefit, legal liability, loss or damage insured under this section of your policy is stated on your schedule.**

Under this section you may insure for loss of income (after expenses) during the period following sudden and unforeseen physical damage to any machinery described in your machinery breakdown section of your policy, if it occurred at your premises and during your period of insurance.

You can personalise your cover by deciding how long you wish the cover period to be, how long it will take you to return to normal operations after a loss.

You may extend the cover to meet the normal ongoing expenses that you will incur until the business returns to normal operation.

Please check that the cover is correctly stated on your schedule and that it is in accordance with your intentions, requests and needs.

## Excess

In the event of a claim you may be liable for the first amount payable, the excess. Please check your schedule which will state the excess amount, if any is applicable.

Time excess, is the period which commences from the beginning of the interruption of or interference with the business resulting in a claim under this section for which there is no cover. Cover will only commence after the expiry of the time specified in the time excess

## Definitions

### Loss or damage

Is the sudden and unforeseen physical damage to any insured machinery described on your schedule, occurring at your premises and during your period of insurance, while your insured machinery is:

- a at work or at rest; or
- b being dismantled for the purpose of cleaning, inspection, overhaul or removal to another position or in the course of these operations themselves or subsequent re-assembly.

### **Indemnity period**

The period beginning with the commencement of the damage and ending not later than the number of months thereafter as stated on your schedule, during which the results of your business will be affected in consequence of the damage.

### **Net Income**

The money paid or payable to you for goods sold and delivered and/or for services rendered in the course of your business at your premises including any money received by or due to you from tenants in respect of rental of the premises and/or for services rendered after allowance for the expenses incurred in the creation of such income but excluding capital investments or capital expenditure.

### **Ongoing expenses**

Those expenses that will still have to be paid whether or not your business can operate.

### **Defined events**

Loss following interruption of or interference with your business in consequence of damage occurring during your period of insurance at your premises in respect of which payment has been made or liability admitted under your machinery breakdown section of your policy.

Cover will remain applicable if such liability or payment is precluded solely because you are required to bear the first amount payable or a time excess.

Your insurance under this section will cease if your business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with our written agreement.

## **Clauses applicable to this entire section of your policy**

### **Mitigation of the loss**

On the occurrence of any damage in consequence of which a claim may be made under this section, you will, in addition to complying with the General Terms and Conditions that apply to this policy, take all actions which are reasonably practical in order to reduce or stop any interruption of or interference with your business or to reduce or prevent the loss.

### **Provision of information**

You will, not later than 30 days after your business has returned to normal operations following the loss or damage that was the cause of a claim under this section or after the expiry of the indemnity period, whichever occurs first, at your own expense deliver all the information necessary to calculate and settle the loss including details of all other insurance covering the loss or any part of it, to us.

If you do not comply with these requirements the cover provided under this section of the policy will be cancelled as far as this loss or damage is concerned and any payment on account of the claim already made will need to be repaid to us.

### **Less than 12 months trading**

If the loss or damage which causes a claim to be submitted under this section of your policy occurs before the completion of the first year's trading of your business at your premises, the claim will be calculated by taking the figures available and estimating what the annual figures would have been, had the loss not occurred.

### **Accountants**

Any particulars or details contained in your books of account or other business books or documents which may be required by us under this section for the purpose of investigating or verifying any claim, must be produced and certified by your auditors or professional accountants, upon our request.

### **Income**

In adjusting any loss, account will be taken and an equitable allowance made if any shortage in income due to the damage is postponed by reason of the income being temporarily maintained from accumulated stocks.



## Departmental clause

If your business is conducted in departments or branches, the independent trading results of which are ascertainable, the provisions under income relating to reduction in income and increase in cost of working, will apply separately to each department or branch affected by the damage, except that if the sum insured by the relative cover is less than the aggregate of the income or rentals for each department or branch, whether or not affected by the damage, to the relative annual income thereof (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12 months), the amount payable will be proportionately reduced.

## Cover available to you

### Important:

If you require cover for your ongoing expenses that you may incur following a loss, please refer to the additional cover that you may add.

Please check that the cover is correctly stated on your schedule and is in accordance with your intentions, requests and needs.

### Income

We will indemnify you for loss of net income due to

- a reduction in income; and
- b increase in the expenses of the insured business.

and the amount payable as indemnity will be for reduction in income, the sum calculated by applying the rate of income to the amount by which the income during the indemnity period will, as a result of the loss or damage, fall short of the normal income.

### Increase in the expenses

In respect of increase in expenses of your insured business the additional spending necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in income 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 income 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 your business payable out of income as may cease or be reduced in consequence of the loss or damage, provided that the amount payable will be proportionately reduced if the sum insured in respect of income is less than the sum produced by applying the rate of income to the annual income where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual income where the maximum indemnity period exceeds 12 months.

### Additional cover that you may add to this section of the policy

These are covers which are not automatically included under this section of the policy. You need to instruct us to include them and you should check your schedule to ensure that you have the cover which was requested and that you are paying the relevant premium for it. The cover provided under such additional cover is still subject to the General Terms and Conditions of your entire policy and the terms and conditions of this section of your policy.

The maximum indemnity payable for any benefit, legal liability, loss or damage insured under this section of your policy of insurance as stated on your schedule.

Please check that the cover is correctly stated on your schedule and is in accordance with your intentions, requests and needs.

### Ongoing Expenses

The insurance under this item is limited to the cost of those expenses which form part of the normal operating costs of your business and will continue to be paid whilst the normal operations of your business is partly or wholly affected by the loss or damage.

You must specify, the indemnity limit that you require on your schedule which forms part of this policy. Please check that the cover is correctly stated on your schedule and is in accordance with your intentions, requests and needs.

# Deterioration of stock following Machinery Breakdown

Under this section you may insure against the deterioration of stock normally kept refrigerated or frozen following a breakdown to machinery that is insured under your machinery breakdown section of this policy.

The maximum indemnity payable for any benefit, legal liability, loss or damage insured under this section of the policy is stated on your schedule.

Please check that the cover that you requested is correctly stated on your schedule and is in accordance with your intentions, requests and needs.

## Excess

In the event of a claim you may be liable for the first amount payable, the excess. Please check your schedule which will state the excess amount, if any is applicable

Time excess, is the period which commences from the beginning of the interruption of or interference with the business resulting in a claim under this section for which there is no cover. Cover will only commence after the expiry of the time specified in the time excess

## Defined events

Loss of or damage to your property specified on your schedule caused by deterioration due to unforeseen physical loss of or damage to your machinery specified in your machinery breakdown section and indemnifiable under the machinery breakdown section.

Provided that our liability during any one period of 12 consecutive months from inception date or anniversary date will not exceed the limit of indemnity stated on your schedule in respect of each item specified.

## Specific exceptions

### We will not be liable for:

- 1 loss arising within the no-claim period stated on your schedule of goods stored in the refrigeration chambers due to deviation from the prescribed refrigeration temperature, unless deterioration is caused by contamination as a result of leakage of refrigerant or by accidental freezing of goods or unless fresh goods that have not yet reached the prescribed refrigeration temperature are affected thereby. The no-claim period is defined as the time period immediately following interruption of cooling during which, with the storage room left sealed, no deterioration would have taken place;
- 2 loss to the goods stored arising as a result of shrinkage, inherent defects or diseases, natural deterioration or natural putrefaction;
- 3 loss arising from improper storage, damage to packing material, insufficient circulation of air or non- uniformity of temperature;
- 4 loss caused by temporary repair carried out without our consent of the refrigeration machinery specified on your list of machinery;
- 5 penalties for delay, consequential loss or damage or liability of any nature whatsoever; or
- 6 loss or damage directly or indirectly caused by, or arising out of, or aggravated by
  - a the willful act or willful negligence of you or your representatives;
  - b fire, lightning, chemical explosion, extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempted theft, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or other natural catastrophes.

## Specific conditions applicable to this extension of cover

This section will apply only if:

- 1 the refrigeration machinery is insured under the in-force machinery breakdown section;
- 2 at the time of the loss or damage the goods are stored in refrigeration chambers;
- 3 the sum insured is equal to the estimated maximum selling price obtainable for the stored goods during the period of this section. You will be obliged to furnish us with copies of your stock books or a duly completed declaration showing the average quantity and value per day of the goods stored during the preceding month after a claim.

The monthly stock book must be based on the selling price obtainable for the goods insured.

All claims will be settled on the basis of the value stated in the monthly declaration immediately prior to the occurrence of the loss or the selling price that would have been obtainable, whichever is the lesser. When determining the indemnity we will take into consideration all circumstances that may influence the amount of indemnity, such as proceeds from a sale of goods as well as storage costs saved due to the termination of the storage.

If after the occurrence of a partial loss it is found that the last monthly declaration preceding the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by you will be reduced in such proportion as the amount of the said last monthly declaration bears to the amount that ought to have been declared.

## Optional conditions applicable to this extension of cover

If you have selected the following conditions on your schedule.

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

### Constant supervision

The insured refrigeration machinery is under constant supervision by qualified personnel.

### Temperature readings

During the entire period of storage, you must record in a logbook the condition of the insured goods and at least three temperature readings per day from each refrigeration chamber, the accuracy of the temperature readings being verified by means of a calibrated, independent reference thermometer at least every 14 days.

### Accidental interruption of electricity supply - No generator

We will pay for any deterioration or putrefaction of stock at the premises stated above if the public supply fails provided that:

- Electricity is fed from the public power supply network.
- The failure of the power supply lasts for an uninterrupted period of longer than the above stated time excess.

### Cover excludes:

- Scheduled interruptions from the public power supply.
- No electricity due to the shortage of the primary energy at any power stations.

### Accidental interruption of electricity supply - Generator

It is a condition of this policy that:

- Testing is done at least every two weeks and full detailed results of such tests are available at the time of claim.
- The generator starts automatically when there is a failure of the electric power supply installed on the premises.

