



**AGRI
POLICY WORDING**



CONTENTS

GENERAL TERMS & CONDITIONS	4
FIRE SECTION	14
BUILDINGS COMBINED SECTION	31
OFFICE CONTENTS SECTION	44
BUSINESS INTERRUPTION SECTION	53
ACCOUNTS RECEIVABLE SECTION	63
THEFT SECTION	67
MONEY SECTION	71
GLASS SECTION	81
FIDELITY SECTION	83
GOODS IN TRANSIT SECTION	90
BUSINESS ALL RISKS SECTION	96
ACCIDENTAL DAMAGE SECTION	99
PUBLIC LIABILITY SECTION (CLAIMS MADE BASIS)	104
EMPLOYERS' LIABILITY SECTION	119
COMMERCIAL UMBRELLA LIABILITY SECTION	123
STATED BENEFITS SECTION	136
GROUP PERSONAL ACCIDENT SECTION	142
MOTOR SECTION - A	148
MOTOR SECTION – B	160
ELECTRONIC EQUIPMENT SECTION	166
MACHINERY BREAKDOWN SECTION	176
DETERIORATION OF STOCK	180
MACHINERY BREAKDOWN BUSINESS INTERRUPTION SECTION	183
HOUSEOWNERS SECTION	188
HOUSEHOLD CONTENTS SECTION	195
PERSONAL ALL RISKS SECTION	205
PERSONAL LIABILITY SECTION	211
PERSONAL UMBRELLA LIABILITY SECTION	215
SMALL CRAFT SECTION	219
GENERAL CONTACT DETAILS	225

GENERAL TERMS & CONDITIONS

Subject to the terms, exceptions and conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of the Insured and receipt thereof by or on behalf of the Company, the Company specified in the Schedule agrees to indemnify or compensate the Insured by payment or, at the option of the Company, by replacement, reinstatement or repair in respect of the defined events occurring during the period of the insurance and as otherwise provided under the within sections up to the sums insured, limits of indemnity, compensation and other amounts specified.

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

Specific exceptions, conditions and provisions shall override general exceptions, conditions and provisions.

General Exceptions

1. War, Riot and Terrorism

- (A) This policy does not cover loss of or damage to property related to or caused by;
- (i) civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the foregoing;
 - (ii) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - (iii) (a) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege;
 - (b) insurrection, rebellion or revolution;
 - (iv) any act (whether on behalf of any organisation, body or person, or group of persons) calculated or directed to overthrow or influence any State or Government, or any provincial, local or tribal authority with force, or by means of fear, terrorism or violence;
 - (v) any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government, or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public, or any section thereof;
 - (vi) any attempt to perform any act referred to in clause (iv) or (v) above;

(vii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause 1(A) (i), (ii), (iii), (iv), (v) or (vi) above.

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

- (B) This policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this policy applies.
- (C) Notwithstanding any provisions of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense.

For the purposes of this General Exception 1(C), an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organization or government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes including any act committed with the intention of influencing any government or for the purpose of inspiring fear in the public or any section thereof.

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

2. Nuclear

Except as regards the Fidelity, Stated Benefits and Group Personal Accident Sections:

- (i) this policy does not cover;
- (a) loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss;
 - (b) any legal liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contaminated by radio--activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

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

- (ii) the indemnity provided by this policy shall not apply to nor include any loss, destruction damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

Definitions of nuclear material as defined in NMA 1975 or as amended

Nuclear fission

a nuclear reaction in which a heavy nucleus splits spontaneously or on impact with another particle with the release of energy.

Nuclear fusion

a nuclear reaction in which atomic nuclei of low atomic number fuse to form a heavier nucleus with the release of energy.

Nuclear radiation

the absorption of electromagnetic radiation by a nucleus having a magnetic moment when in an external magnetic field.

Nuclear waste

as defined in NMA 1975.

Nuclear fuel

a substance that will sustain a fission chain reaction so that it can be used as a source of nuclear energy.

Nuclear explosives

an explosive involving the release of energy by nuclear fission or fusion or both.

Nuclear weapon

a nuclear device designed, used or usable for inflicting bodily harm or property damage.

3. Computer Losses

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

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

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

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

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

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

Special Extension to General Exception 3

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

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

1. storm, wind, water, hail, flood or snow excluding damage to property:
 - (a) arising from its undergoing any process necessarily involving the use or application of water;
 - (b) caused by tidal wave originating from earthquake or volcanic eruption

- (c) in the underground workings of any mine;
- (d) in the open (other than buildings, structures and plant designed to exist or operate in the open);
- (e) in any structure not completely roofed;
- (f) being retained walls;

Unless so described and specifically insured as a separate item

- 2. aircraft and other aerial devices or articles dropped therefrom;
- 3. impact by animals, trees, aerals, satellite dishes or vehicles, excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

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

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

4. Detention, Confiscation and Forfeiture

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

5. Asbestos Exclusion

[Applicable to the Public Liability section, the Employers' Liability Section and Sub-section D (liability) of the Buildings Combined section]

Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision which would otherwise override a general exception, this policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

6. Sanction Limitation and Exclusion

The Company shall not provide cover, or pay any claim or provide any benefit hereunder to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose the Insurer to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

7. Transmission and Distribution Lines Exclusion

The Company shall not provide cover for any loss of, destruction of or damage to any kinds of above- or below- ground conductors (e.g. transmission and distribution lines) including wires, cables, poles, scaffolding, pylons and masts or any property forming part thereof or connected therewith and including substations and transformer stations unless such conductors for which the Insured carries the risk are located between the insured building and official power supplier's distribution box.

This Exclusion also applies to any consequential losses, time element losses or business interruption losses resulting therefrom, including but not limited to any increased cost of working.

This Exclusion includes but is not limited to conductors for the transmission or distribution of electrical energy, telephone or telegraphic signals, and all communication signals, whether audio or visual.

It is however, understood and agreed that this Exclusion shall not apply to Contingent Business Interruption coverages including Public Utilities and/or Suppliers Extensions,

provided that these are not part of a Supplier's, Transmitter's or Distributor's policy.

8. False Pretense and/or Fraud

This policy does not cover loss or damage resulting directly or indirectly from or in connection with any exchange, cash or credit sale agreement including theft by false pretense and/or fraud.

General Conditions

The following General Conditions are subject to the provisions of any current Short Term Insurance Act or similar legislation in force applicable to insured risks in any of the territories within the geographical limits of this policy.

1. Misrepresentation, Misdescription and Non-Disclosure

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

2. Other Insurance

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

3. (A) Cancellation

This policy or any section may be cancelled at any time by the Company giving 30 days' notice in writing (or such other period as may be mutually agreed) or by the Insured giving immediate notice. On cancellation by the Insured, the Company shall be entitled to retain the customary short period or minimum premium for the period the policy or section has been in force. On cancellation by the Company, the Insured shall be entitled to claim a pro-rata proportion of the premium for the remainder of the period of insurance from the date of cancellation, subject to General Condition 4.

(B) Continuation of Cover

(Where premium is payable by bank debit order or by transmission account)

The premium is due in advance and, if it is not received by the Company by due date, this insurance shall be deemed to have been cancelled at midnight on the last day of the last period of insurance for which premium was received, unless the Insured can show that failure to make payment was an error on the part of their bank or other paying agent.

Due date will be the first day of every calendar month where premium is payable monthly, and the first day of:

- (a) each third;
- (b) each sixth; or
- (c) each twelfth calendar month following inception where premium is payable quarterly, half-yearly or annually.

4. Adjustment of Premium

If the premium for any section of this policy has been calculated on any estimated figures, the Insured shall, after the expiry of each period of insurance or if a monthly policy, each period of 12 consecutive months from the inception or anniversary date, furnish the Company with such particulars and information as the Company may require for the purpose of recalculation of the premium for such period. Any difference shall be paid by or to the Insured as the case may be.

5. Prevention of Loss

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

6. Claims

- (a) On the happening of any event which may result in a claim under this policy, the Insured shall, at their own expense;
 - (i) give notice thereof to the Company as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured;
 - (ii) immediately after the event, inform the police of any claim involving theft or (if required by the Company) loss of property, and take all practicable steps to discover the guilty party and to recover the stolen or lost property;
 - (iii) as soon as practicable after the event, submit to the Company full details in writing of any claim;
 - (iv) give the Company such proofs, information and sworn declarations as the Company may require and forward to the Company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.
 - (v) The Insured shall not incur any expense (except as specifically provided for in this Policy) in making good any damage without the written consent of the Company, and shall not negotiate, pay, settle, admit or repudiate any claim or accept liability without such consent and may under no circumstances whatsoever consent to the jurisdiction of any court without prior written permission from the Company.
- (b) No claim (other than a claim under the Business Interruption, Fidelity, Stated Benefits or Group Personal Accident Section or the Personal Accident (assault) Extension under the Money Section (if applicable), shall be payable after the expiry of 24 months, or such time as the Company may allow, from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of the Insured's legal liability to a third party.
- (c) No claim shall be payable unless the Insured claims payment by serving legal process on the Company within 6 months of the rejection of the claim in writing and pursues such proceedings to finality.
- (d) If, after the payment of a claim in terms of this policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, the Insured shall render all assistance in the identification and physical recovery of such property if reasonably called on to do so by the Company, provided that the Insured's reasonable expenses in rendering such assistance shall be reimbursed by the Company. Should the Insured fail to render assistance in terms of this condition when reasonably called upon to do so, the Insured shall immediately become liable to repay to the Company all amounts paid in respect of the claim.
- (e) It is hereby noted that, when an event that may result in a valid claim is reported (orally or in writing) by the Insured or on behalf of the Insured or by the Insured's agent as noted in the Schedule (for purposes of this clause "the Insured"):
 - (i) the Insured appoint the Company as their agent to act in a similar manner as if the Company has already accepted liability under this reported event, until such time that the Company accepts liability in full;

- (ii) should the Company not accept liability for any valid reason as determined by any specific exception, or provision of this policy read together with the policy Schedule, Section or Sub-Section or endorsement to the policy, the Insured accept that they will be responsible for settlement of the costs and expenses incurred by the Company on behalf of the Insured during the period that the Insured had appointed the Company as their agent.

7. Company's Rights After an Event

- (a) On the happening of any event in respect of which a claim is or may be made under this policy, the Company and every person authorised by it may, without thereby incurring any liability and without diminishing the right of the Company to rely upon any conditions of this policy,
 - (i) take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This Condition shall be evidence of the leave and licence of the Insured to the Company to do so. The Insured shall not be entitled to abandon any property to the Company, whether or not taken possession of by the Company;
 - (ii) take over and conduct in the name of the Insured the defence or settlement of any claim and prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission statement, offer, promise, payment or indemnity shall be made by the Insured without the written consent of the Company.
- (b) The Insured shall, at the expense of the Company, do and permit to be done all such things as may be necessary or reasonably required by the Company for the purposes of enforcing any rights to which the Company shall be, or would become, subrogated upon indemnification of the Insured, whether such things shall be required before or after such indemnification.
- (c) In respect of any section of this policy under which indemnity is provided for liability to third parties, the Company may, upon the happening of any event, pay to the Insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the Company shall thereafter be under no further liability in respect of such event.

8. Fraud

If any claim under this policy is in any respect fraudulent, or if any fraudulent means or devices are used by the Insured or anyone acting on their behalf or with their knowledge or consent to obtain any benefit under this policy, or if any event is occasioned by the wilful act or with the connivance of the Insured, the benefit afforded under this policy in respect of any such claim shall be forfeited.

9. Reinstatement of Cover After Loss

(Not applicable to Stock on declaration basis or to any Section where it is stated not to be applicable)

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

10. Breach of Conditions

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

11. No Rights to Other Persons

Unless otherwise provided, nothing in this policy shall give any rights to any person other than the Insured. Any extension providing indemnity to any person other than the Insured shall not give any rights of claim to such person, the intention being that the Insured shall claim on behalf of such person. The receipt of the Insured shall in every case be a full discharge to the Company.

12. Collective Insurance

If this insurance is a collective insurance, the following amendment is made to General Condition 6 (a) (iv) above:

“6 (a) (iv) – give the leading Insurer on behalf of the Insurers such proofs, information and sworn declaration as the Insurers may require and forward to the leading Insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.”

and General Condition 7 is substituted by the following

“7. Insurers’ rights after an event

- (a) On the happening of any event in respect of which a claim is or may be made under this policy, the leading Insurer and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the Insurers to rely upon any conditions of this policy,
 - (i) take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence of the Insured to the lead Insurer on behalf of all Insurers to do so. The Insured shall not be entitled to abandon any property to the Insurers whether taken possession of by the leading Insurer or not;
 - (ii) take over and conduct in the name of the Insured the defence or settlement of any claim and prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the Insured without the written consent of the leading Insurer.
- (b) The Insured shall, at the expense of the Insurers, do and permit to be done all such things as may be necessary or reasonably required by the Insurers for the purposes of enforcing any rights to which the Insurers shall be, or would become, subrogated upon indemnification of the Insured, whether such things shall be required before or after such indemnification.
- (c) In respect of any section of this policy under which an indemnity is provided for liability to third parties, the Insurers may, upon the happening of any event, pay to the Insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the Insurers shall thereafter be under no further liability in respect of such event”.

13. Consent to Collect, Use, Disseminate and Disclose Personal Information

- (a) The Protection of Personal Information Act (‘the Act’) or any similar enactment in force within the geographical limits of this policy, applies to this policy and controls the method by which personal information is collected, used, disseminated and disclosed. The Insured are referred to the Protection of Personal Information External Policy, which can be found at www.westnat.com, and more particularly to the Act itself. The Insured agree and consent to the collection, use, dissemination and disclosure of their personal information for the purpose of entering into this policy and giving effect to the terms and conditions hereof, subject to the requirements of such Act.
- (b) In addition to the above, the Insured acknowledge that the sharing of underwriting and claims information by the Company is essential to enable the insurance industry to underwrite policies and assess risks fairly and to reduce the incidence of fraudulent claims, in the public interest and with a view to limiting premiums. The Insured hereby waive any right to privacy in any information supplied by or on behalf of the Insured in respect of any underwriting or claims information made or lodged by the Insured and the Insured consent to such information being disclosed to any other insurance company or its agent. The Insured also waive any rights of privacy in, and consent to the disclosure of, any information relevant to any insurance claim concerning the Insured or any person that they represent or any person purporting to represent them.

14. Endorsement to Monthly Policies

Each period of insurance by this policy is for one month and a premium is paid each month. It is a monthly policy paid monthly. For this reason it is necessary to amend portions of the standard policy wording or to clarify how certain provisions are to operate. In consequence, the following amendments are made to the policy, and the explanations given are to be taken as forming part of this policy.

Section	Reference	Comments
General Schedule	Period of Insurance }	(b) is amended to read "Any Subsequent Period of one month for which the Company agrees to renew this policy or any section thereof"

General Provisions

The following Provisions are subject to the provisions of any Short Term Insurance Act or similar legislation in force applicable to insured risks in any of the territories within the geographical limits of this policy.

A. Claims Preparation Costs

The insurance by each Section of this policy is extended to include costs reasonably incurred by the Insured in producing and certifying any particulars or details required by the Company in terms of General Condition 6 or to substantiate the amount of any claim, provided that the liability of the Company for such costs in respect of any one claim shall not exceed, in respect of a particular Section, the greater of R25,000 or the amount stated in the Schedule to each Section against an item for Claims Preparation Costs.

B. Payments on Account

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

C. First Amount Payable

Except where provided for specifically in any Section, the amount payable under this policy or any Section for each and every loss, damage or liability shall be reduced by the first amount payable shown in the Schedule for the applicable Defined Event.

D. Members

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

E. Liability Under More than one Section

The Company shall not be liable under more than one Section of this policy in respect of loss, damage or liability arising from the same happening in respect of the same loss, damage or liability.

F. Meaning of Words

The policy wording, the Schedules and any endorsements thereto shall be read together and any word or expression to which a specific meaning has been given in any part thereof shall bear such meaning wherever it may appear.

G. Premium Payment

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

H. Holding Covered

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

I. Schedule Sums Insured Blank

If, in a schedule of this policy, the sum insured, limit of indemnity or compensation is:

- (i) left blank or has no monetary amount stipulated against it;
- (ii) reflected as nil or not applicable or not covered or no indemnity extended;

The defined event or circumstance shown in the schedule is not insured by the policy.

J. Security Firms

If an employee of a security firm employed by the Insured under a contract causes loss or damage, and if, in terms of the said contract, the Insured may not claim against the said security firm, the Company agrees not to exercise their rights of recourse against the said security firm. The Company shall not raise as a defence to any valid claim submitted under any Section or Sub-Section of this policy that the Company's rights have been prejudiced by the terms of any contract entered into between the Insured and any security provider relating to the protection of the insured property.

K. Currency

Wherever in this policy, an amount is shown in South African Rand (R), it shall be deemed to be replaced by the "N\$" sign representing the Namibian dollar monetary unit.

The Company's liability shall be limited to the equivalent amount in the currency of any country within the territorial limits of this policy or the relevant Section in which such amount is stated,

provided that:

- (a) the currency exchange rate shall be that applicable as at the date of the loss;
- (b) the Company shall not be liable for any fluctuations in the rate of currency exchange.

FIRE SECTION

Defined Events

Damage to the whole or part of the property described in the Schedule, owned by the Insured or for which they are responsible, including alterations by the Insured as tenants to the buildings and structures, by:

1. fire;
2. lightning or thunderbolt;
3. explosion;
4. such additional perils as are stated in the Schedule to be included,

Hereinafter in this Section termed Damage.

Specific Exceptions

1. This Section does not cover earthquakes (whether arising from mining operations or otherwise) unless stated in the Schedule to be included, volcanic eruption or other convulsion of nature (other than subterranean fire).

Any Damage happening during the existence of abnormal conditions (whether physical or otherwise) which is occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be Damage which is not covered by this insurance, except to the extent that the Insured shall prove that such Damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where the Company alleges that, by reason of this Exception, any Damage is not covered by this insurance, the burden of proving the contrary shall be on the Insured.

2. Unless specifically included, this insurance does not cover:
 - (i) Damage to property occasioned by its undergoing any heating or drying process;
 - (ii) Damage to property which, at the time thereof, is insured by or would, but for the existence of this insurance, be insured by any marine policy(ies), except in respect of any excess beyond the amount which would have been payable under the marine policy(ies) had this insurance not been effected.

Specific Condition

Average

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

Lightning Conductors

(If stated in the Schedule to be included)

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

Portable Fire Extinguishing Devices

(If stated in the Schedule to be included)

It is a condition that approved portable Foam/Water type extinguishers must be installed as stipulated by the local municipal laws or by-laws as amended or any other ordinance, law or by-law issued by any other recognised authority in which the business is situated.

Fire Fighting Equipment

(If stated in the Schedule to be included)

It is a condition that all fire-fighting equipment, fire escapes and the like, must comply with the local municipal laws or by laws and be kept in order and serviced annually by qualified persons. Staff must be trained on how to use the fire-fighting equipment and must be easily accessible to the trained staff and not be blocked with stock, rubble, equipment and the like.

Bush Clearance Warranty

It is a condition precedent to liability of the Company that all combustible material and vegetation within an area of at least 5 meters in width in the immediate vicinity of the insured building, item or structure specified under the fire section of the schedule shall be cleared and removed from the site. It is noted that this requirement does not apply to cultivated or manicured gardens, including trees forming part thereof.

Additional Perils

It is understood and agreed that, in respect of each of the additional perils included in this insurance:

- (a) all of the exceptions and conditions applicable to this insurance shall apply as if they had been incorporated therein;
- (b) for the purposes thereof, any Damage insured shall be deemed to have been caused by Fire.

1. Earthquake

Damage caused by Earthquake but excluding Damage to property in the underground workings of any mine.

2. Special Perils

Damage caused by:

1. storm, wind, water, hail or snow, excluding Damage to property:
 - (a) arising from its undergoing any process necessarily involving the use or application of water;
 - (b) caused by tidal wave originating from earthquake;
 - (c) in the underground workings of any mine);
 - (d) in the open (other than buildings, structures and plant designed to exist and or operate in the open);
 - (e) in any structure not completely roofed
 - (f) being retaining walls;
2. aircraft and other aerial devices or articles dropped therefrom;
3. impact by animals, trees (except falling trees whilst contractors are engaged in the felling thereof), aerials, satellite dishes or vehicles, excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

Unless so described and specifically insured as a separate item

This Extension does not cover:

1. wear and tear or gradual deterioration;
2. damage caused or aggravated by:
 - (a) leakage or discharge from any sprinkler or drencher system or other fire extinguishing installation or appliance in the buildings insured hereby or in buildings containing property insured hereby;
 - (b) subsidence or landslide;
 - (c) the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any Damage;
3. damage to plastic and all other tunnels unless so stated in the schedule to be included
4. damage to any pump situated in or on any river, stream or dam or in or on the banks of any river, stream or dam.

3. Leakage

(If stated in the Schedule to be included)

Damage caused by discharge or leakage from fire extinguishing installations/appliances.

If a first loss limit is shown against this additional peril in the Schedule, the amount of such limit shall be the maximum liability of the Company less any first amount payable stated in the Schedule to apply in respect of any one event and, for the purposes of this Extension only, the following shall replace the Average Condition herein expressed:

Average

If the property insured is, at the commencement of any Damage to such property by discharge or leakage, collectively of greater value than the sum insured thereon against Fire Damage, then the Company shall be liable under this Extension only for that proportion of the first loss limit as the sum insured against Fire bears to the total value of such property, and the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Every item, if more than one, to which this Extension applies, shall be separately subject to this clause." In respect of this Extension only, Specific Exception 1 to this Section is deleted.

4. Subsidence and Landslip – Limited Cover

Damage caused by subsidence or landslip provided that the insured shall bear the first portion of each and every claim up to an amount calculated at 1% of the sum insured on the property or R5,000 or the amount stated in the schedule whichever is the greater.

This extension does not cover:

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

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

5. Subsidence and Landslip – Extended Cover

(If stated in the Schedule to be included)

- (a) This Section is extended to include damage to the insured buildings caused by subsidence or landslip of the land supporting the insured buildings or heave thereof, provided that such damage is not caused by or does not arise from;
 - (i) normal settlement, shrinkage or expansion of the land supporting the insured buildings;
 - (ii) alterations (including structural), additions or repairs to the buildings;
 - (iii) the compaction of infill;
 - (iv) defective or faulty design, materials or workmanship;
 - (v) excavations other than mining operations;
 - (vi) contraction and or expansion of soil, clay or similar types or moist or damp;
 - (vii) removal or weakening of support to the insured buildings.
- (b) The Company will not be liable for;
 - (i) Damage to septic or conservancy tanks, drains, watercourses unless the insured building(s) are damaged at the same time by the same event;
 - (ii) consequential loss or consequential damage of any kind whatsoever;
 - (iii) Damage existing at commencement of cover.
- (c) The Company will not be liable for work necessary to prevent further Damage due to subsidence, landslip or heave except where appropriate design precautions were implemented during the original construction of the insured buildings and any subsequent additions thereto.

- (d) The Insured will be responsible for the first 1% of the sum insured, minimum R5,000 of each and every claim or the amount stated in the Schedule, whichever is the greater.

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

6. Malicious Damage

Damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such Damage, other than Damage to:

1. movable property which is:
 - (a) stolen;
 - (b) damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;
2. moveable or immovable property which is damaged by thieves while breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured;
3. immovable property owned or occupied by the Insured occasioned by or through or in consequence of:
 - (a) the removal or partial removal or any attempt thereof;
 - (b) the demolition or partial demolition or any attempt thereof;the said immovable property or any part/s thereof with the intention of stealing any part/s thereof,
provided that this Extension does not cover:
 - (a) Damage related to or caused by Fire or Explosion;
 - (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
 - (c) Damage resulting from total or partial cessation of work, or the retarding, interruption or cessation of any process or operation;
 - (d) Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
 - (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

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

During the period of the initial unoccupancy of 30 consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% of the claim before deduction of any first amount payable.

7. Riot and Strike

(If stated in the Schedule to be included)

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

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

provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exceptions 1(A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

8. Spontaneous Combustion

It is hereby declared and agreed that notwithstanding anything herein contained to the contrary this section of the policy is extended to include destruction or damage by fire only of or to the insured property (in respect whereof this extension is applicable) caused by its own spontaneous fermentation, heating or combustion.

Provided that all the exceptions and conditions of the policy (except as expressly varied herein) shall apply as if they had been incorporated herein and the insured shall bear the first portion of each and every claim as stated in the schedule.

Special Provisions

1. Hail and Shade Nets

In the event of loss or damage of the insured property described in the Schedule by:

- 1. Fire;
- 2. Lightning or thunderbolt;
- 3. Explosion;

as defined under the heading Defined Events or any peril(s) as defined in Additional Perils of this Section, the Company shall not be liable to pay more than the percentage in terms of the age of the nets only as stated hereunder in terms of replacement of the insured property immediately prior to the loss or damage,

provided that:

(a) Depreciation

AGE OF COVERS	EXTENT OF COVER
0 to 24 months	100%
more than 24 months not exceeding 36 months	85%
more than 36 months not exceeding 48 months	70%
more than 48 months not exceeding 60 months	55%
more than 60 months	0%

(b) First amount payable

Cover in terms of this item of the Section is subject to a First Amount Payable of 10% of each and every loss with a minimum of R2,500 or the amount stated in the schedule whichever is the greater,

provided that:

the First Amount Payable in terms of Proviso (b) shall be payable notwithstanding the decrease in cover applicable to the nets only as stated in Proviso (a) above.

(c) Replacement value

Notwithstanding the age and the resultant decrease in cover as contained in Proviso (a) above the property must at all times be insured at replacement value in accordance with the Reinstatement Value Condition clause of this Section.

(d) Definition

Covers and structures in terms of this Special Provision shall include:

- (i) structures including anchorage and relevant wiring;
- (ii) hail and shade nets of a similar quality and make as hereby insured;
- (iii) removal of debris and clean-up costs;
- (iv) associated labor and transport cost.

(e) Installation and erection

Installation and erection of structures and nets hereby insured must at all times be executed in accordance with the manufacturer's standards, instructions and specifications.

2. Plastic Tunnels

In the event of loss or damage of the insured property described in the Schedule by:

- 1. Fire;
- 2. Lightning or thunderbolt;
- 3. Explosion;

as defined under the heading Defined Events or any peril(s) as defined in Extensions A. to D. of this Section, the percentage in terms of the age of the plastic covers only as stated hereunder at the time of the occurrence of its destruction or the amount of such damage or at its option reinstate, replace or repair such property or any part thereof.

provided that:

(a) Depreciation

AGE OF COVERS	EXTENT OF COVER
0 to 12 months	100%
more than 12 months not exceeding 24 months	85%
more than 24 months not exceeding 36 months	70%
more than 36 months not exceeding 48 months	55%
more than 48 months	0%

(b) First amount payable

Cover in terms of this item of the Section is subject to a First Amount Payable of 10% of each and every loss with a minimum of R1,000 and a maximum of R25,000 or the amount stated in the schedule whichever is the greater,

provided that:

the First Amount Payable in terms of this Proviso (b) shall be payable notwithstanding the decrease in cover applicable to the plastic covers stated in Proviso (a) above.

(c) Replacement value

Notwithstanding the age and the resultant decrease in cover as contained in Proviso (a) above the property must at all times be insured at replacement value in accordance with the Reinstatement Value Condition clause of this Section.

(d) Definition

Covers and structures in terms of this Special Provision shall include:

- (i) structure including anchor material;
- (ii) plastic covers of similar quality and make hereby ensured of which the thickness of the plastic may not under any circumstances be less than 200 microns;
- (iii) removal of debris and clean-up costs;
- (iv) associated labor and transport cost.

(e) Installation and erection

Installation and erection of structures and plastic covers hereby insured must at all times be executed in accordance with the manufacture's standards, instructions and specifications which shall include:

- (i) the thickness of all pipes forming part of the structure may not deviate from the manufacture's specifications or as prescribed by any engineer;
- (ii) pipes forming part of the structure must be anchored in concrete in accordance with specifications;
- (iii) wire cables and/or chains hinged over the cross beams supporting trellised products must be correctly tensioned and may not, under any circumstances, be physically fixed to such cross beams except at the end points of the tunnels.

(f) Maintenance

If any openings of the tunnels hereby insured are electronic and/or electrically controlled/operated the functioning of such controls should be tested regularly as well as being maintained in accordance with the suppliers prescribed instructions relating thereto.

Memorandum

In respect of the insurance by this Section it is a condition precedent to liability of the Company that all combustible material and vegetation within an area of at least 5 (five) meters in width in the immediate vicinity of the insured building or structure concerned in terms of this Special Provisions shall be cleared and removed from the site. This condition is only applicable to the structures and covers which is the subject of a claim.

3. Paddock and Boundary Fences – Limited to Fire and Lightning

In respect of paddock and boundary fences stated in the schedule, the following conditions shall apply:

- (i) the Company's liability in respect of boundary fences only is limited to 50% of the total reinstatement value thereof and the terms as contained in Specific Condition 1 "AVERAGE" of this Section shall apply accordingly;
- (ii) all paddock and boundary fencing of the Insured must be insured;
- (iii) the Company shall not be liable for loss of or damage to paddock and boundary fences if it is found that such fencing was not in an insurable condition at the commencement of cover,

provided that:

the insured shall be liable for the first 10% with a minimum of R1,000 or the amount stated in the schedule whichever is the greater in respect of each and every claim.

4. Crude Fodder, Hay, Straw, Chaff and Similar Crops – Limited to Fire and Lightning Only

In the event of loss or damage to the property stated in the schedule caused by fire or lightning as defined in this section, the following conditions shall apply:

- (i) the liability of the company in respect of crude fodder, hay, straw, chaff or similar crops stored in an enclosed building shall not exceed R150,000 per building unless otherwise stated in the schedule;
- (ii) the liability of the company in respect of crude fodder, hay, straw, chaff or similar crops stored in buildings not fully enclosed shall not exceed R100,000 per building unless otherwise stated in the schedule;
- (iii) the liability of the company in respect of fodder, hay, straw, chaff or similar crops left harvested in the fields in the process of preparation and gathering, left baled in the fields in the process of gathering, packed in stacks/piles in the open shall not exceed R50,000 per insured risk unless otherwise stated in the schedule,

provided that:

- (a) It is a condition precedent to liability of the Company that all combustible material and vegetation within an area of at least 5 meters in width in the immediate vicinity of the risk stated in the schedule which falls under this special provision shall be cleared and removed from the site. Any two specified risks under this section may not be less than 5 meters from one another;
- (b) the Insured shall be considered as being his own insurer for 25% of the market value of the insured property or the sum insured, whichever shall be the lesser and shall therefore bear at least 25% of any loss or the amount stated in the schedule.

5. Poultry (Special Perils as Defined Under Special Perils Extension)

The Company shall not be liable for the death of poultry as a result of Special Perils as defined unless the poultry is at least 6 (six) weeks old,

provided that:

The death of poultry will be subject to an insured peril which is accompanied by the physical loss or damage to the Structure or structures wherein the poultry is lodged.

6. Tobacco (Special Perils Only)

In respect of tobacco in air-curing barns the following conditions shall apply:

- (i) the liability of the Company shall be limited to 75% of any loss and shall under no circumstances exceed 75% of the total sum insured;
- (ii) the Company shall not be liable for loss caused by water unless the roof of the building be so damaged by any of the perils insured under this Section that water penetrates the building.

Clauses and Extensions

1. Rent

(If insured under Column 2)

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

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

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

2. Designation of Property

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

3. All Other Contents

The term 'all other contents' referred to in the definition of property under column 3 of the Schedule includes, but is not restricted to, personal effects, tools and pedal cycles, the property of the Insured or directors or employees of the Insured in so far as such property is not otherwise insured.

The benefit under this Extension is limited to R10,000 for any one individual in respect of property Damaged while on the Insured's premises.

4. Limitations

The Company's liability under column 3 of the Schedule is restricted in respect of:

- (a) money and stamps to a limit of R5,000;
- (b) documents, manuscripts, business books, plans, computer systems, records and media, designs, patterns, models and moulds to the value of materials and sums expended in labour.

5. Alterations and Misdescription

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

6. Architects' and Other Professional Fees

The insurance under columns 1 and 3 of the Schedule includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following Damage, but in no case exceeding 15% of the amount payable in respect of such Damage, provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the Insured's claim.

7. Capital Additions

The insurance under this Section covers alterations, additions and improvements (but not appreciation in value in excess of the sum/s insured) to the property other than stock and materials in trade for an amount not exceeding 15% of the sum insured thereon, it being understood that the Insured undertake to advise the Company each quarter or if a monthly policy, each month, of such alterations, additions and improvements and to pay the appropriate premium thereon.

8. Cost of Demolition, Clearing and Erection of Hoardings

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the demolition of buildings and machinery and/or the removal of debris (including stock debris) and in providing, erecting and maintaining hoardings required during demolition, site clearing and/or building operations following Damage to the property insured, provided that the total amount recoverable shall not exceed the sum insured on the property affected.

The Company will not pay for any costs or expenses:

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

9. Fire Extinguishing Charges

Any costs relating to the extinguishing or fighting of Fire shall be deemed to be Damage to the insured property and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided that the Insured is legally liable for such costs and the insured property was in danger from the Fire.

10. Mortgagees

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

11. Municipal Plans Scrutiny Fees

The insurance under column 1 of the Schedule includes municipal plans scrutiny fees, provided that the total amount recoverable under any item shall not exceed the sum insured on the building affected.

12. Public Authorities' Requirements

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

1. the amount recoverable under this clause shall not include:
 - (a) the cost incurred in complying with any of the aforesaid regulations:
 - (i) in respect of Damage occurring prior to granting of this clause;
 - (ii) in respect of Damage not insured under this section;
 - (iii) under which notice has been served upon the Insured prior to the happening of the Damage;
 - (iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged;
 - (b) the additional cost that would have been required to make good the property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
 - (c) the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations;
2. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate), subject to the liability of the Company under this clause not being thereby increased;
3. if the liability of the Company under any item of this Section apart from this clause shall be reduced by the application of any of the terms, exceptions and conditions of this Section, then the liability of the Company under this clause in respect of any such item shall be reduced in like proportion;
4. the total amount recoverable under any item of this Section shall not exceed the sum insured thereby.

13. Government and Other Authorities Agreements

The Insured shall not be prejudiced by signing any agreement with any entity such as Transnet, any government or quasi-government department, provincial administration, municipality and/or similar body covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature.

14. Reinstatement Value Conditions

In the event of property other than stock being Damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than the insured property when new provided that:

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment, beyond the amount which would have been payable if these Reinstatement Value Conditions had not been incorporated herein, shall be made;

2. until expenditure has been incurred by the Insured in replacing or reinstating the property, the Company shall not be liable for any payment in excess of the amount which would have been payable if these Conditions had not been incorporated herein;
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been Damaged, exceeds the sum insured thereon at the commencement of any Damage to such property, the Insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this Section (if more than one) to which these conditions apply shall be separately subject to this provision;
4. these Conditions shall be without force or effect if:
 - (a) the Insured fail to intimate to the Company, within 6 months of the date of damage, or such further time as the Company may in writing allow, their intention to replace or reinstate the property;
 - (b) the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

15. Alternative Replacement Conditions (Design Capacity)

In the event of property insured which has a measurable function, capacity or output being damaged and it not being possible to replace or reinstate such property in terms of the Reinstatement Value Conditions, then the Company will pay the cost of replacing such property with property the quality, capacity, function or output of which is as near as possible but not inferior to that of the original property,

provided that:

1. provisos 1, 2, 3 and 4 of the Reinstatement Value Conditions apply equally to this Clause;
2. in applying the provisions of Proviso 3 of the Reinstatement Value Conditions, the cost, as provided for in proviso 3, which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged, will be increased by such amount payable under this Alternative Replacement Clause which is in excess of that which would have been payable under the Reinstatement Value Conditions clause, had it been possible to reinstate or replace the property in terms thereof.

16. Temporary Removal

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

provided that:

1. unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the Company shall not exceed 15% of the sum insured applicable to any item;
2. the amount payable under this clause shall not exceed the amount that would have been payable had the Damage occurred on that part of the premises from which the property is temporarily removed.

17. Tenants

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

18. Stock Declaration Conditions

(If stated in the Schedule to be included)

In respect of stock and materials in trade insured under this Section being subject to these Stock Declaration Conditions, the premium is calculated at 75% of the sum or sums insured thereon, subject to the following specific Conditions.

1. (a) The Insured shall declare to the Company in writing the market value of their stock and materials in trade on the last day of each month/quarter (as stated in the Schedule) and shall make such declaration within 30 days thereof, otherwise they shall be deemed to have declared the sum insured on such property as the market value thereof.

(b) After the expiry of each period of insurance or if a monthly policy, each period of 12 consecutive months from the inception or anniversary date, the premium shall be calculated on the average sum insured, namely the total of the values declared or deemed to have been declared divided by the number of declarations due to have been made. If the resultant premium shall differ from the provisional premium, the difference shall be payable by or to the Insured as the case may be, but the amount payable by the Company shall not exceed 50% of the provisional premium.
2. Any claim hereunder shall be settled on the basis of the market value immediately anterior to the Damage.
3. If, after the occurrence of Damage, it is found that the amount of the last declaration is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said declaration bears to the amount that ought to have been declared or to the sum insured, whichever is the lesser amount. The provisions of this Condition shall, if applicable, operate cumulatively with the provisions of the Specific Condition relating to Average.
4. In consideration of the insurance not being reduced by the amount of any loss, the Insured shall pay additional premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment premium.
5. The liability of the Company shall not exceed the sum insured and premium shall not be receivable on values in excess thereof.
6. The above Specific Conditions shall apply separately to each item stated in the Schedule to which these Stock Declaration Conditions apply.

19. Public Supply Connections

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

20. Escalator Clause

(If stated in the Schedule to be included)

During each period of insurance or if a monthly policy, each period of 12 consecutive months from the inception or anniversary date, the sum(s) insured under columns 1 and/or 3 of this Section shall be increased by that portion of the percentage specified in the Schedule, which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall apply only to the sum(s) insured in force at the commencement of the period of insurance.

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

The additional premium for this extension shall be 50% of the premium produced by applying the percentage specified to the annual premium or if a monthly policy, 12 times the monthly premium for the sum insured to which this Extension applies.

21. Disposal of Salvage

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

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

22. Accidental Damage to Geysers

This Section includes accidental loss of or damage to geysers, water apparatus and water pipes, the property of the Insured, installed in and forming part of the buildings or structures as stated in the Schedule, caused by bursting or rupturing thereof,

provided always that:

- (i) this Extension does not cover structural defects, faulty design or poor workmanship;
- (ii) if any insured building or structure becomes unoccupied for more than 30 consecutive days, the insurance in respect of this Extension is suspended;
- (iii) the Company's liability, in respect of any one event, shall not exceed R10,000 less the first amount payable of R1,000 or the amounts stated in the Schedule, whichever may be the greater.

23. Damage to Buildings Resulting from Theft/Attempted Theft

The insurance under this Section includes:

- (a) Damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of theft or any attempt thereat;
- (b) loss of buildings, landlords fixtures and fittings at the insured premises as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence;
- (c) reimbursement by the Company of all reasonable costs and expenses incurred by the Insured in effecting such temporary repairs and in taking such temporary measures as may be necessary after Damage giving rise to a claim under this Extension, provided that the Company's liability in respect of any one event shall not exceed R10,000 less the first amount payable of R1,000 or the amounts stated in the Schedule, whichever may be the greater.

24. Security Costs

The Company will pay for costs actually and necessarily incurred with the Company's prior consent to protect or attempt to protect any insured property following an insured event, provided that, in respect of any one event, the benefit under this Extension is limited to R10,000.

25. Power Surge

Buildings

The insurance under this Section is extended to include Damage to fixtures and fittings forming part of the buildings insured under this Section caused by power surge, provided that, in respect of any one event, the Company's liability shall not exceed R50,000 less a first amount payable of 10% of claim, minimum R1,500.

Plant, Machinery and all other contents

The insurance under this Section is extended to include Damage to television sets, audio and video equipment, fax machines, copiers, telephone systems and household appliances caused by power surge, provided that, in respect of any one event, the Company's liability shall not exceed R50,000 less a first amount payable of 10% of claim, minimum R1,500.

This Extension applies only if the contents are insured under this Section of the policy.

26. Livestock/Game

(If stated in the Schedule to be included)

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

provided that:

The Company shall not be liable for;

- (a) damage to or loss of livestock/game not belonging to or held in trust by or in the custody or under the control of the Insured or any employee or agent of the Insured;
- (b) confiscation, requisition, destruction or detention of any livestock/game by order of any statute, government or public authority;
- (c) slaughter of livestock/game without the consent of the Company except in the case of an injury caused by an Insured peril necessitating that the animal be slaughtered without delay in the interests of humaneness provided that the Company may have a post mortem examination carried out by a veterinary surgeon of its choice if it elects to do so;
- (d) consequential loss of any nature whatsoever;
- (e) Livestock/game described in the Schedule must all be sound and in perfect health and free from injury at the commencement of this insurance;
- (f) on the death of any animal described in the Schedule the Insured shall immediately give notice thereof to the Company and shall give the Company the opportunity of inspecting the carcass by not cutting or disposing of it until the expiration of at least 24 hours after such notice shall have been received by the Company. The Insured shall at his own expense within 14 days after being requested to do so furnish to the Company such information accompanied by such veterinary certificates and satisfactory proof as to death, identity and value of the animal as the Company may require. The burden of proving that an insured animal has not died from an excepted cause as described in this Section shall rest upon the Insured. If the claim be admitted the Insured shall dispose of the carcass to the best advantage and the amount realised, shall belong to the Company,

provided that:

In the event of claims for the death of livestock/game caused by lightning:

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

- (g) In the event of the livestock/game insured by this Section being destroyed as a result of direct, lightning the Insured shall be responsible for the first 10% of each and every loss with a minimum of R500 in the case of livestock/game and 10% of each and every loss with a minimum of R1,000 in the case of pedigree animals or the amount stated in the schedule whichever is the greater;
- (h) All livestock/game of specific specie must be insured.

27. Damage by Wild Baboons, Monkeys or Animals

This section is extended to include loss of or damage to the building(s) and the contents inside a fully enclosed building(s) as stated in the schedule, caused by wild baboons, monkeys or animals,

provided that:

- (i) wild baboons, monkeys or animals shall mean those that live freely in the natural surroundings and are not kept as pets or farm animals and do not include rodent(s), moth and vermin;
- (ii) the company's liability will not exceed R10,000 in respect of any one occurrence;
- (iii) the insured will be responsible for the first R1,000 in respect of each and every occurrence giving rise to a claim.

BUILDINGS COMBINED SECTION

Defined Events

1. Loss or damage (hereinafter in this Section termed Damage), at the premises situate as stated in the Schedule, by the perils described:
 - (a) in Sub-Section A – of or to the buildings including all outbuildings thereto (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos, unless otherwise stated in the Schedule) and sporting and recreational structures, landlord's fixtures and fittings therein and thereon, walls (except dam walls), gates, posts and fences, and tarred or paved roads, driveways, paths or parking areas;
 - (b) in Sub-Section B - to public supply connections.
2. Loss of Rent as provided for in Sub-Section C.
3. Legal Liability as provided for in Sub-Section D.

Sub-Section A – Property

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, flood, hail or snow, but excluding:
 - (a) that arising from its undergoing any process necessarily involving the use or application of water;
 - (b) wear and tear or gradual deterioration;
 - (c) loss or damage:
 - (i) to retaining walls (unless specifically stated to be included);
 - (ii) to gates, posts and fences not constructed of stone, concrete or brick;
 - (iii) caused or aggravated by subsidence or landslip;
 - (iv) caused or aggravated by the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage.
3. Earthquake.
4. Aircraft and other aerial devices or articles dropped therefrom.

5. Impact by any animals, trees (except falling trees whilst contractors are engaged in the felling thereof), aerials, satellite dishes or vehicles, excluding damage to such animals, trees, aerials, satellite dishes, vehicles or property in or on such vehicles.
6. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building. If any insured building or insured property contained therein becomes unoccupied for 30 consecutive days, this cover is suspended in respect of loss of or damage to the property affected unless the Insured, before the occurrence of damage, obtains the written agreement of the Company to continue this insurance. During the period of the initial unoccupancy of 30 consecutive days, the Insured shall become a co-insurer with the Company and shall bear a rateable proportion of any loss or damage equal to 20% of the claim, before deduction of any first amount payable.
7. Accidental damage to sanitaryware, but the amount payable in respect of any one event will be reduced by R250 or the amount stated in the Schedule, whichever is the greater.

Specific Condition

Average

(Not applicable to Peril 7 above)

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

Lightning Conductors

(If stated in the Schedule to be included)

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

Portable Fire Extinguishing Devices

(If stated in the Schedule to be included)

It is a condition that approved portable foam/water type extinguishers must be installed as stipulated by the local municipal laws or by-laws as amended or any other ordinance, law or by-law issued by any other recognised authority in which the business is situated.

Fire Fighting Equipment

(If stated in the Schedule to be included)

It is a condition that all fire-fighting equipment, fire escapes and the like, must comply with the local municipal laws or by laws and be kept in order and serviced annually by qualified persons. Staff must be trained on how to use the firefighting equipment and must be easily accessible to the trained staff and not be blocked with stock, rubble, equipment and the like.

Bush Clearance Warranty

It is a condition precedent to liability of the Company that all combustible material and vegetation within an area of at least 5 meters in width in the immediate vicinity of the insured building, item or structure specified under the fire section of the schedule shall be cleared and removed from the site. It is noted that this requirement does not apply to cultivated or manicured gardens, including trees forming part thereof.

Sub-Section B – Public Supply Connections

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

Sub-Section C – Rent

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

Sub-Section D – Liability

Damages for which the Insured shall become legally liable to pay consequent upon accidental death or illness of or bodily injury to any person (hereinafter termed Injury) or accidental loss of or physical damage to tangible property (hereinafter termed Damage) occurring during the period of insurance in, on or about the property insured and arising from the Insured's ownership or occupancy thereof, provided that the amount payable, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source, shall not exceed the amount of R2,500,000.

Specific Exceptions

(Applicable to Sub-Section D)

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

1. Injury or Damage sustained by:
 - (a) any member of the same household as the Insured;
 - (b) any person employed by the Insured or under a contract of service with or apprenticeship to the Insured and arising directly from and in the course of such employment by the Insured;
 - (c) any other person resulting from the ownership of or use by or on behalf of the Insured of any mechanically propelled vehicle (except pedal cycles and lawnmowers);
2. Damage to property:
 - (a) (i) belonging to the Insured;
 - (ii) in the custody or control of the Insured or any employee of the Insured;
 - (b) caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;
3. liability assumed by agreement, unless liability would have attached to the Insured notwithstanding such agreement;
4. (a) liability in respect of Injury, Damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this Exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;

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

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

- 5. fines, penalties, punitive, exemplary or vindictive damages;
- 6. (a) damages in respect of judgments delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland;
- (b) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in 6(a) above.

Memoranda to Sub-Section D

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

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

Clauses and Extensions

1. Subsidence and Landslip – Limited Cover

Damage caused by subsidence or landslip provided that the insured shall bear the first portion of each and every claim up to an amount calculated at 1% of the sum insured on the property or R5,000 or the amount stated in the schedule, whichever is the greater.

This extension does not cover:

- 1. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured.
- 2. damage caused by or attributable to:

- (a) faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises;
 - (b) workmen engaged in making any structural alterations, additions or repairs to any building situated at The insured premises;
 - (c) excavation on or under land other than excavations in the course of mining operations.
3. consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.

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

2. Subsidence and Landslip – Extended Cover

(If stated in the Schedule to be included)

- (a) This Section is extended to include damage to the insured buildings caused by subsidence or landslip of the land supporting the insured buildings or heave thereof, provided that such damage is not caused by or does not arise from;
 - (i) normal settlement, shrinkage or expansion of the land supporting the insured buildings;
 - (ii) alterations (including structural), additions or repairs to the buildings;
 - (iii) the compaction of infill;
 - (iv) defective or faulty design, materials or workmanship;
 - (v) excavations other than mining operations;
 - (vi) contraction and or expansion of soil, clay or similar types or moist or damp;
 - (vii) removal or weakening of support to the insured buildings.
- (b) The Company will not be liable for;
 - (i) damage to septic or conservancy tanks, drains, watercourses unless the insured building(s) are damaged at the same time by the same event;
 - (ii) consequential loss or consequential damage of any kind whatsoever;
 - (iii) damage existing at commencement of cover.
- (c) The Company will not be liable for work necessary to prevent further Damage due to subsidence, landslip or heave except where appropriate design precautions were implemented during the original construction of the insured buildings and any subsequent additions thereto.
- (d) The Insured will be responsible for the first 1% of the sum insured, minimum R5,000, of each and every claim or the amount stated in the Schedule, whichever is the greater.

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

3. Prevention of Access Extension to Sub-Section C

If property within a 10 km radius of the premises stated in the Schedule is lost or damaged by a peril defined in Sub-Section A during the period of insurance, and this prevents or hinders the use of or access to the property insured by

this Section, the Company will pay any Loss of Rent the Insured may incur as a result thereof up to an amount not exceeding 25% of the sum insured on the affected property. The Loss of Rent calculation will be based on the rent payable immediately preceding the loss or damage or its equivalent rental value.

4. Security Firms

(Applicable to Sub-Section D - Liability)

Notwithstanding Specific Exception 3, if in terms of a contract with a security firm engaged in the course of the Insured's business (as owner of the premises specified in the Schedule) to protect the Insured's property at the premises stated in the Schedule, the Insured becomes legally liable for any act or omission of any employee of the security firm in the course of his/her employment at these premises, then this Sub-Section includes such legal liability to the extent that indemnity would have been granted under this Sub-Section had the said employee been under a contract of service to the Insured and not the security firm, but not exceeding the limit of liability stated in the Schedule for this Sub-Section.

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

5. Architects' and Other Professional Fees

The insurance under Sub-Section A includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following Damage, but in no case exceeding 15% of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the Insured's claim.

6. Capital Additions

The insurance under this Section covers alterations, additions and improvements to the property (but not appreciation in value in excess of the sum/s insured) for an amount not exceeding 15% of the sum insured thereon, it being understood that the Insured undertake to advise the Company each quarter or if a monthly policy, each month of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

7. Cost of Demolition, Clearing, Erection, Hoardings and Debris Removal

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

The Company will not pay for any costs or expenses:

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

8. Fire Extinguishing Charges

Any costs relating to the extinguishing or fighting of Fire shall be deemed to be Damage to the insured property and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided that the Insured is legally liable for such costs and the property insured was in danger from the Fire.

9. Mortgagees

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

10. Municipal Plans Scrutiny Fees

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

11. Public Authorities' Requirements

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

1. the amount recoverable under this clause shall not include:
 - (a) the costs incurred in complying with any of the aforesaid regulations;
 - (i) in respect of damage occurring prior to granting of this clause;
 - (ii) in respect of damage not insured under this Section;
 - (iii) under which notice has been served upon the Insured prior to the happening of the damage;
 - (iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged;
 - (b) the additional costs that would have been required to make good the property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
 - (c) the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations;
2. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this clause not being thereby increased;
3. if the liability of the Company under any item of this Section, apart from this clause, shall be reduced by the application of any of the terms, exceptions and conditions of this Section, then the liability of the Company under this clause in respect of any such item shall be reduced in like proportion;
4. the total amount recoverable under any item of this Section shall not exceed the sum insured thereby.

12. Government and Other Authorities Agreements

The Insured shall not be prejudiced by signing any agreement with any entity such as Transnet, any government or quasi-government department, provincial administration, municipality and/or similar body covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature.

13. Reinstatement Value Conditions

In the event of property being lost or damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type, but not superior to nor more extensive, than the insured property when new, provided that:

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured, subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment, beyond the amount which would have been payable if these Reinstatement Value Conditions had not been incorporated herein, shall be made;
2. until expenditure has been incurred by the Insured in replacing or reinstating the property, the Company shall not be liable for any payment in excess of the amount which would have been payable if these Conditions had not been incorporated herein;
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any Damage to such property, then the Insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this Section, if more than one, to which these conditions apply shall be separately subject to this provision;
4. these Conditions shall be without force or effect if:
 - (a) the Insured fail to intimate to the Company within 6 months of the date of Damage, or such further time as the Company may in writing allow, their intention to replace or reinstate the property;
 - (b) the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

14. Temporary Removal

Except in so far as they are otherwise insured, landlord's fixtures and fittings are covered while temporarily removed elsewhere on the premises stated in the Schedule, or to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, provided that the amount payable under this clause shall not exceed that which would have been payable had the loss occurred on the premises from which the property was temporarily removed.

15. Tenants

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

16. Escalation

(If stated in the Schedule to be included)

During each period of insurance or if a monthly policy, each period of 12 consecutive months from the inception or anniversary date, the sum(s) insured under Sub-Section A of this Section shall be increased by that portion of the percentage specified in the Schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the sum(s) insured in force at the commencement of the period of insurance.

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

The additional premium for this Extension shall be 50% of the premium produced by applying the percentage specified to the annual premium or if a monthly policy, 12 times the monthly premium for the sum insured to which this Extension applies.

17. Malicious Damage

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained herein, this Section is extended to cover Damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such Damage other than Damage to:

1. movable property which is;
 - (a) stolen;
 - (b) damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;
2. movable or immovable property which is damaged by thieves while breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured;
3. immovable property owned or occupied by the Insured occasioned by or through or in consequence of:
 - (a) the removal or partial removal or any attempt thereof;
 - (b) the demolition or partial demolition or any attempt thereof;the said immovable property or any part thereof with the intention of stealing any part thereof,

provided that this Extension does not cover:

- (a) Damage related to or caused by fire or explosion;
- (b) consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically Insured;
- (c) Damage resulting from total or partial cessation of work, or the retarding, interruption or cessation of any process or operation;
- (d) Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) Damage related to or caused by any occurrence referred to in General Exception 1(A)(i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

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

During the period of the initial unoccupancy of 30 consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any Damage equal to 20% of the claim before deduction of any first amount payable.

18. Riot and Strike

(If stated in the Schedule to be included)

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

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

provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exceptions 1(A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

19. Accidental Damage to Geysers

Sub-Section A of this Section is extended to include accidental Damage to geysers, water apparatus and water pipes, caused by bursting or rupturing thereof, the property of the Insured, installed in and forming part of the buildings or structures as stated in the Schedule,

provided always that:

- (i) this Extension does not cover structural defects, faulty design or poor workmanship;
- (ii) if any building or structure insured becomes unoccupied for more than 30 consecutive days, the insurance in respect of this Extension is suspended;
- (iii) the Company's liability in respect of any one event shall not exceed R10,000 or the amount stated in the Schedule, whichever is the greater, less the first amount payable of R1,000, or the amount stated in the Schedule whichever is the greater.

20. Damage to Buildings Resulting from Theft/Attempted Theft

The insurance under this Section includes:

- (a) Damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of theft or any attempt thereat;
- (b) loss of buildings, landlord's fixtures and fittings at the insured premises as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence;

- (c) all reasonable costs and expenses incurred by the Insured in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after Damage giving rise to a claim under this Extension, provided that the Company's liability in respect of any one event shall not exceed R10,000 less a first amount payable of R1,000 or the amount stated in the Schedule, whichever is the greater.

21. Keys, Locks and Remote Control Units

This Section is extended to indemnify the Insured in respect of the cost of replacing locks and keys including the remote and/or alarm controller and, if necessary, the reprogramming of such coded alarm system of the insured building following upon loss of or damage to any lock or key, remote or alarm controller or upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key, remote or alarm controller, whether or not obtained by violence or threat of violence. This Section also covers the reasonable expenses incurred in an emergency to call in a locksmith as a result of the loss of or damage to such lock, key, remote and/or alarm controller,

provided that, in respect of any one event:

- (a) the liability of the Company shall not exceed R10,000;
- (b) the Insured shall be liable for the first R1,000 of any claim.

22. Water Leakage

The Company will indemnify the Insured for the costs of water lost through leakage from or bursting of pipes on the insured premises, where the Insured are responsible to pay the charge for such additional water consumed, provided that:

- (a) the quarterly reading of water consumption must have exceeded the average of the previous four quarterly readings by 50% or more;
- (b) the Company's liability in respect of any one incident shall not exceed R5,000 less a first amount payable of R500;
- (c) the Company shall not be liable for more than two separate incidents in any one 12 month period;
- (d) the Insured shall, upon discovery of a leak or burst (by physical evidence or on receipt of an abnormally high water account) take immediate steps to repair or replace the pipe/s affected;
- (e) this Extension does not cover the cost of remedial action, including repair or replacement of the pipe(s) affected;
- (f) the Company shall not be liable for claims:
 - (i) as a result of leaking taps, geysers, toilet systems or swimming pools;
 - (ii) while the property is unoccupied for a period in excess of 30 consecutive days;
 - (iii) where the water level of a swimming pool has to be topped up as a result of a leaking inlet or outlet pipe.

23. Garden and Water Features

The Company will pay up to R5,000 less a first amount payable of R500 for costs incurred by the Insured in restoring damaged landscaped gardens and water features following fire, lightning, thunderbolt, volcanic eruption, subterranean fire, special perils, earthquake, malicious damage or explosion.

24. Costs of Removal of Fallen Trees

The insurance under this Section covers costs reasonably and necessarily incurred in removing trees or parts of trees from the dwelling(s) or premises as described in the Schedule that have fallen following an event as defined under Sub-Section A,

provided that, in respect of any one event:

- (a) the liability of the Company shall not exceed R5,000;
- (b) the Insured shall be liable for a first amount payable of R500.

25. Security Costs

The Company will pay for costs actually and necessarily incurred with the Company's prior consent to protect or attempt to protect any insured property following an insured event, provided that, in respect of any one event, the benefit under this Extension is limited to R10,000.

26. Power Surge

The insurance under this Section is extended to include damage to fixtures and fittings forming part of the buildings insured under this Section caused by power surge, provided that, in respect of any one event, the Company's liability shall not exceed R50,000 less a first amount payable of 10% of claim, minimum R1,500.

27. Guesthouses Accommodation and Lodging

(If stated in the Schedule to be included)

In consideration of the payment of an additional premium and notwithstanding anything contained herein to the contrary the following perils in respect of Sub-Section A of the defined events are added/amended in terms of this section and the extensions only apply to that part of the risk that relates to the guesthouse and/or lodge if insured in terms of this section:

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

provided that:

the liability of the Company shall not exceed R5,000 for any of the above extensions in respect of any one occurrence less the first amount payable of R500.

- 13. Accidental discharge or leakage from fire extinguishing installations or appliances;
- 14. Loss or damage caused by the total or partial failure of the public supply of electricity to the premises of the insured provided that this section does not cover loss or damage resulting from damage directly or indirectly caused by:
 - (a) drought;
 - (b) pollution of water;
 - (c) shortage of fuel or water;

- (d) a fault on any part of the installation belonging to the premises;
- (e) the exercise of an authority, empowered by law to supply electricity, of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to damage to property of such authority.

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

15. Loss or damage to stock in refrigeration and/or cooling units at the premises by deterioration or putrefication caused by:

- (i) a change in temperature resulting from:
 - (a) failure of the unit or non-operation (from any inherent cause) of any thermostatic device controlling the plant or failure of the wiring from the main switch to ancillary switches or power plugs and between ancillary switches and power plugs and the driving motor including the failure of power plugs and switches;
 - (b) failure of the public supply of electricity and/or gas at the terminal ends of the supply authority's device feeders to the premises;
 - (c) the wrongful setting of any thermostatic device including the accidental switching off of the supply controlling the plant;
- (ii) the action of refrigerant fumes, which have escaped from the unit,

provided that:

this Extension does not cover:

- (a) loss or damage caused by a deliberate act by the supply authority or the exercise by any supply authority of its power to withhold or restrict the supply of electricity and/or gas;
- (b) more than R5,000 any one event or occurrence.

The Insured is responsible for a First Amount Payable of R500 in respect of each single claim as a result of the perils as described in 15 (i) and (ii) above.

28. Damage by Wild Baboons, Monkeys or Animals

This section is extended to include loss of or damage to the building(s) as stated in the schedule, caused by wild baboons, monkeys or animals,

provided that:

- (i) wild baboons, monkeys or animals shall mean those that live freely in the natural surroundings and are not kept as pets or farm animals and do not include rodent(s), moth and vermin;
- (ii) the company's liability will not exceed R10,000 in respect of any one occurrence;
- (iii) the insured will be responsible for the first R1,000 in respect of each and every occurrence giving rise to a claim.

OFFICE CONTENTS SECTION

Defined Events

1. Loss of or damage (hereinafter in this Section termed Damage) to the contents (other than documents as defined in Sub-Section C if insured thereunder and electronic data processing equipment) including landlord's fixtures and fittings, the property of the Insured or for which they are responsible and, unless otherwise stated in the Schedule, to the extent that the same is not otherwise insured, property owned by any partner or director or employee of the Insured up to an amount of R2,500 per person while contained in the offices and/or consulting rooms situate as stated in the Schedule (hereinafter called the office premises) by any of the perils specified in Sub-Section A.
2. Damage to the whole or part of the property insured under Item C and defined in Sub-Section C and the consequences thereof insured under Item D and as described in Sub-Section D.
3. Loss and/or expenditure described in Sub-Sections B and E.

Sub-Section A – Contents

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, flood, hail or snow excluding loss of or damage to property arising from its undergoing any process necessarily involving the use or application of water.
3. Earthquake, but excluding loss of or damage to property in the underground workings of any mine.
4. Aircraft and other aerial devices or articles dropped there from.
5. Impact by animals, trees (except falling trees whilst contractors are engaged in the felling thereof), aerials, satellite dishes or vehicles, excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.
6. Accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture.
7. Bursting of water tanks, water apparatus or water pipes and the accidental leakage of oil from fixed oil-firing heating installations.

Limitations Clause

The Company's liability under this Sub-Section is restricted in respect of documents, manuscripts, business books, plans, designs, patterns, models and moulds to the value of materials and sums expended in labour.

Specific Conditions

(Applicable to Sub-Section A)

1. Average

(Not applicable to Peril 6 above)

If the property insured is, at the commencement of any Damage to such property by any insured peril, collectively of greater value than the sum insured thereon, the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. Each item of the Schedule covering such property shall be separately subject to this Condition.

2. Burglar Alarm Warranty

(If stated in the Schedule to be applicable)

In respect of any premises stated in the Schedule as being subject to a burglar alarm warranty, it is hereby warranted that:

1. where the installed alarm is a SAIDSA Approved (Pty) Ltd certified alarm:
 - (a) the Company will be entitled to request full information in respect of the relevant arming, disarming and monitoring log report after the occurrence of a loss;
 - (b) Damage to the property following the use of any key, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured is not covered unless such key, keypad code, remote control or any duplicate thereof has been obtained by violence or threat of violence to any person or such key, keypad code or remote control was obtained by theft;
2. where the installed alarm is not a SAIDSA Approved (Pty) Ltd certified alarm:
 - (a) the said alarm is to be a radio-controlled and/or telephone-linked monitoring alarm where available (for the purposes of this requirement, monitoring shall mean that, once the alarm is triggered, a signal will be transmitted to the control room which includes a 24-hour armed reaction or response unit);
 - (b) it is also a requirement that such alarm system include anti-tampering measures which will log such events including, but not limited to, power cuts and the like;
 - (c) if the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available;
 - (d) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and, after the occurrence of a loss, the Company will be entitled to request full information in respect of the arming, disarming, testing and monitoring log report;
 - (e) the burglar alarm installed at the premises shall be set and armed and made fully operational whenever the premises are not open for business, unless a principal, partner, director or employee of the Insured is on the premises;
 - (f) such alarm will be maintained in proper working order and tested at least once a month, but the Insured shall be deemed to have discharged their liability in this regard if they have maintained the obligations under a maintenance contract with the suppliers or servicing engineers of the alarm system;

- (g) Damage to the property following the use of any key, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured is not covered unless such key, keypad code, remote control or any duplicate thereof has been obtained by theft or by violence or threat of violence to any person.

Specific Exception

(Applicable To Sub-Section A)

This Sub-Section does not cover:

- (a) property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
- (b) designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of Sub-Section A), stock in trade, samples, motor vehicles and accessories therefor, money, securities, stamps, jewellery or precious stones;
- (c) in respect of any one event, the first 10% of the indemnifiable amount or R1,000, whichever is the greater, if the loss or damage is due to lightning strike.

Sub-Section B – Rent

Loss of Rent actually incurred by the Insured in consequence of the office premises or portion thereof being so damaged by any of the perils specified in Sub-Section A as to be rendered untenable, but only in respect of the period necessary for reinstatement.

The indemnity under this Sub-Section shall not exceed the lesser of 25% of the sum insured and the value of all contents of the office premises affected.

For the purposes of this Sub-Section, the term “office premises” shall be deemed to extend to any property or portion thereof in the vicinity of the office premises, damage to which prevents or limits access to the office premises.

Sub-Section C – Documents

Loss of or damage (hereinafter termed Damage) to documents normally kept at the office premises by any peril not specifically excluded.

1. Definition

The term **documents** shall mean:

films, tapes, addressograph plates, books, records, maps, plans, drawings, abstracts, deeds, wills, mortgages, agreements, manuscripts, letters, certificates, documents and similar written, printed or otherwise inscribed papers and documents used by the Insured in the business and owned by them or for which they are responsible,

excluding money, current postage or revenue stamps, coupons (whether or not cancelled), securities, bearer bonds, cheques, drafts and any written order to pay a sum certain in money and any written evidence of indebtedness or obligation and all property carried or held as samples or for sale or for delivery after sale and computer software and computer data-carrying media, unless otherwise stated in the Schedule.

2. Limitations Clause

The Company's liability under this Sub-Section is limited to all costs, charges and expenses incurred by the Insured in replacing or restoring such documents.

Specific Exception

(Applicable to Sub-Section C)

This Sub-Section does not cover:

- (a) Damage caused by:
 - (i) electric or electronic or magnetic injury, disturbance or erasure of electronic or magnetic recordings except by lightning, in which case the lightning loss or indemnifiable amount will be reduced by the greater of 10% of such amount and R1,000 in respect of any one event;
 - (ii) vermin or inherent defect or by processing, copying or other work upon the documents;
 - (iii) the dishonesty of any principal, partner or director of the Insured whether acting alone or in collusion with others.
- This exception shall not apply to any director who is also an employee of the Insured and who the Insured have the right at all times to govern, control and direct in the performance of his work in the service of the Insured in the course of the business;
- (b) gradual deterioration or wear and tear;
 - (c) costs involved in re-shooting films and videos and re-recording audio tapes.

Sub-Section D – Legal Liability Documents

Legal liability as a direct consequence of loss of or damage to documents as defined in Sub-Section C and in respect of which payment, reinstatement or repair has been effected or liability admitted by the Company under Sub-Section C, unless such payment, reinstatement, repair or liability has not been made or admitted solely because the Insured is required to bear the first portion of the loss.

Specific Exception

(Applicable To Sub-Section D)

This Sub-Section does not cover liability assumed by the Insured under any contract, undertaking or agreement where such liability would not have attached to the Insured in the absence of such contract, undertaking or agreement.

Sub-Section E – Increase in Cost of Working

Any additional expenditure not otherwise provided for in this Section reasonably incurred by the Insured for the purposes of maintaining the normal operation of the business in consequence of loss or damage in respect of which payment, reinstatement or repair has been effected or liability therefor admitted by the Company under Sub-Sections A or C.

The indemnity under this Sub-Section in respect of any one event shall not exceed 25% of the sum insured on all contents of the office premises affected.

Clauses and Extensions

1. Alterations and Misdescription

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

2. Capital Additions

The insurance under this Section covers alterations, additions and improvements (but not appreciation in value in excess of the sum/s insured) to the property for an amount not exceeding 15% of the sum insured thereon, it being understood that the Insured undertake to advise the Company each quarter or if a monthly policy, each month of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

3. Fire Extinguishing Charges

Any costs relating to the extinguishing or fighting of Fire shall be deemed to be Damage to the insured property and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided that the Insured is legally liable for such costs and the insured property was in danger from the Fire.

4. Keys, Locks and Remote Control Units

In addition to the limit of indemnity stated in the Schedule, the Company will indemnify the Insured in respect of the costs of replacing locks and keys including the remote and/or alarm controller to any insured office premises following upon the disappearance of any key to such premises or following upon the Insured having reason to believe that any unauthorised person may be in possession of such key or a duplicate thereof, whether or not obtained by violence or threat of violence,

provided that, in respect of any one event:

- (i) the Company's liability shall not exceed R10,000;
- (ii) the Company shall not be liable for the first R1,000.

5. New and Additional Premises

If the Insured shall occupy offices or consulting rooms other than those situated as stated in the Schedule in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, the insurance by this Section shall apply as though such offices or consulting rooms were office premises within the meaning of this Section,

provided that:

- (i) the Insured shall, within a reasonable time of taking occupation, advise the Company thereof and pay additional premium calculated pro rata from the time of taking occupation until the end of the then current period of insurance;
- (ii) this clause shall not apply to any loss if and so far as the same is otherwise insured.

6. Removal of Debris

The insurance under this Section is extended to include such reasonable costs and expenses as may be necessarily incurred by the Insured in respect of the removal of debris following Damage to the insured property by any peril hereby insured against, provided that the liability of the Company for such Damage and costs and expenses shall not exceed in the aggregate the sum expressed in the Schedule to be insured on the property affected.

The Company will not pay for any costs or expenses:

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

7. Temporary Removal

Except in respect of the personal property of any partner, director or employee of the Insured, Damage to the insured property while such property is temporarily in transit to or from, or contained in any building in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, shall be deemed to be Damage happening while such property is contained in the office premises.

8. Temporary Repairs and Measures After Loss

The insurance under this Section is extended to include all reasonable costs and expenses as may be incurred by the Insured in effecting such temporary repairs and by taking such temporary measures as may be reasonably necessary after Damage to the insured property, provided that the liability of the Company for such Damage and costs and expenses shall not exceed in the aggregate the sum expressed in the Schedule to be insured on the property affected.

9. Tenants

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

10. Replacement Value Condition

The basis upon which the amount payable for a claim in respect of contents is calculated shall be either the replacement of the contents by similar property in a condition equal to but not better or more extensive than its condition when new,

or the repair of the contents to a condition substantially the same as but not better than its condition when new, provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the contents had been lost, destroyed or damaged beyond repair, exceeds the sum insured thereon at the time of the Damage, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

11. Malicious Damage

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, Sub-Sections A, B and C are extended to cover loss or damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such loss or damage, other than loss of or damage to:

1. moveable property which is;
 - (a) stolen;
 - (b) damaged in attempt to remove it or part of it from any premises owned or occupied by the Insured;

2. immovable property which is damaged by thieves while breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured;
3. immovable property owned or occupied by the Insured occasioned by or through or in consequence of:
 - (a) the removal or partial removal or any attempt thereof;
 - (b) the demolition or partial demolition or any attempt thereof;the said immovable property or any part thereof with the intention of stealing any part thereof,

provided that this Extension does not cover:

- (a) damage related to or caused by fire or explosion;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding, interruption or cessation of any process or operation;
- (d) damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) damage related to or caused by any occurrence referred to in General Exception 1(A) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, the insurance in respect of this Extension is suspended as regards the property affected unless the Insured, before the occurrence of any damage, obtains the written agreement of the Company to continue this Extension. During the period of the initial unoccupancy of 30 consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% of the claim before deduction of any first amount payable.

12. Riot and Strike

(If stated in the Schedule to be included)

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

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

provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;

- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exceptions 1(A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

13. Theft by Forcible Entry

(If stated in the Schedule to be included)

The following peril is added to the perils applicable to Sub-Section A:

"8. Theft accompanied by forcible and violent entry into or exit from the offices and/or consulting rooms or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence,

provided that:

- (i) the Company will not be liable under this Extension for theft or attempted theft by any principal, partner, director or employee of the Insured;
- (ii) the maximum amount payable in respect of any one event will not exceed the sum insured shown in the Schedule for this Extension;
- (iii) the amount payable will be reduced by the first amount payable shown in the Schedule for this Extension."

14. Theft

(If stated in the Schedule to be included)

The following peril is added to the perils applicable to Sub-Section A:

"8. Theft or any attempt thereat other than by any principal, partner, director or employee of the insured,

provided that:

- (i) the maximum amount payable in respect of any one event will not exceed the sum insured shown in the Schedule for this Extension;
- (ii) the amount payable will be reduced by the first amount payable shown in the Schedule for this Extension."

15. Memorandum

In respect of Sub-Section D only, General Exception 1 is deleted and replaced as follows:

"This Sub-Section does not cover loss, damage, liability or expenditure directly or indirectly caused by or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power."

16. Accidental Damage to Geysers

Accidental Damage to geysers, water apparatus and water pipes, caused by bursting or rupturing thereof, the property of the Insured, installed in and forming part of the buildings or structures as stated in the Schedule,

provided always that:

- (i) this Extension does not cover structural defects, faulty design or poor workmanship;
- (ii) if any building or structure insured becomes unoccupied for more than 30 consecutive days, the insurance in respect of this Extension is suspended;
- (iii) the liability of the Company, in respect of any one event, shall not exceed R10,000;
- (iv) the Insured shall be liable for a first amount payable of R1,000 in respect of any one event.

17. Damage to Buildings Resulting from Theft/Attempted Theft

The insurance under this Section includes:

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

provided that, in respect of any one event, the Company's liability shall not exceed R10,000 less a first amount payable of R1,000 or the amount stated in the Schedule, whichever is the greater.

18. Security Costs

The Company will pay for costs actually and necessarily incurred with the Company's prior consent to protect or attempt to protect any insured property following an insured event, provided that, in respect of any one event, the benefit under this Extension is limited to R10,000.

19. Power Surge

The insurance under this Section is extended to include damage to television sets, audio and video equipment, fax machines, copiers, telephone systems and household appliances caused by power surge,

provided that, in respect of any one event, the Company's liability shall not exceed R50,000 less a first amount payable of 10% of the claim, minimum R1,500.

This Extension applies only if the contents are insured under this Section of the policy.

BUSINESS INTERRUPTION SECTION

Defined Events

1. Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under:
 - (i) the Fire Section of this policy;
 - (ii) the Buildings Combined Section of this policy;
 - (iii) the Office Contents Section of this policy;
 - (iv) any other material damage insurance covering the interest of the Insured but only in respect of perils insured under the Fire Section hereof; (hereinafter termed Damage)

Liability shall be deemed to have been admitted if such payment is precluded solely because the Insured is required to bear the first portion of the loss.

The Company will indemnify the Insured in accordance with the provisions of the cover hereinafter set out, and as stated in the Schedule.

Specific Conditions

1. The insurance under this Section shall cease if the business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the Company.
2. On the happening of any Damage in consequence of which a claim may be made under this Section, the Insured shall, in addition to complying with General Conditions 6 and 7, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss and, in the event of a claim being made under this Section, shall, not later than 30 days after the expiry of the indemnity period or within such further time as the Company may in writing allow, at their own expense, deliver to the Company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting there from.
3. No claim under this Section shall be payable unless the terms of this Specific Condition have been complied with and, in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the Company forthwith.

Item 1 – Gross Profit (Difference Basis)

The insurance under this Item is limited to loss of Gross Profit due to:

- (a) **reduction in turnover;** and
- (b) **increase in cost of working;**

and the amount payable as indemnity hereunder shall be:

- (a) **in respect of reduction in turnover**, the sum produced by applying the rate of Gross Profit to the amount by which the Turnover during the indemnity period shall, in consequence of the Damage, fall short of the Standard Turnover;
- (b) **in respect of increase in cost of working**; the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of Gross Profit to the amount of the reduction thereby avoided.

Less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of Gross Profit as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of Gross Profit is less than the sum produced by applying the rate of Gross Profit to the annual Turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual Turnover where the maximum indemnity period exceeds 12 months.

Item 1 – Gross Profit (Additions Basis)

The insurance under this Item is limited to loss of Gross Profit due to:

- (a) **reduction in turnover;** and
- (b) **increase in cost of working;**

and the amount payable as indemnity hereunder shall be:

- (a) **in respect of reduction in turnover**, the sum produced by applying the rate of Gross Profit to the amount by which the Turnover during the indemnity period shall, in consequence of the Damage, fall short of the Standard Turnover;
- (b) **in respect of increase in cost of working**, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in Turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of Gross Profit to the amount of the reduction thereby avoided.

Less any sum saved during the indemnity period in respect of such of the insured standing charges as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of Gross Profit is less than the sum produced by applying the rate of Gross Profit to the annual Turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual Turnover where the maximum indemnity period exceeds 12 months.

Memo

If any standing charges of the business are not insured under this Section, then, in computing the amount recoverable hereunder as Increase in Cost of Working, that proportion only of the additional expenditure shall be brought into account which the sum of the net profit and the insured standing charges bears to the sum of the net profit and all the standing charges.

Item 2 – Gross Rentals

The insurance under this Item is limited to:

- (a) **loss of gross rentals**; and
- (b) **increase in cost of working**;

and the amount payable as indemnity hereunder shall be:

- (a) **in respect of gross rentals**, the amount by which the Gross Rentals during the indemnity period shall, in consequence of the Damage, fall short of the standard Gross Rentals;
- (b) **in respect of increase in cost of working**, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Gross Rentals which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of Gross Rentals thereby avoided.

Less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of Gross Rentals as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of Gross Rentals is less than the annual Gross Rentals where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual Gross Rentals where the maximum indemnity period exceeds 12 months.

Item 3 – Revenue

The insurance under this Item is limited to:

- (a) **loss of revenue**; and
- (b) **increase in cost of working**;

and the amount payable as indemnity hereunder shall be:

- (a) **in respect of loss of revenue**, the amount by which the Revenue during the indemnity period shall, in consequence of the Damage, fall short of the standard Revenue;
- (b) **in respect of increase in cost of working**, the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of Revenue which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of Revenue thereby avoided

Less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of Revenue as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of Revenue is less than the annual Revenue where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual Revenue where the maximum indemnity period exceeds 12 months.

Item 4 – Additional Increase in Cost of Working

The insurance under this Item is limited to reasonable additional expenditure (not recoverable under other Items) incurred with the consent of the Company during the indemnity period in consequence of the Damage for the purpose of maintaining the normal operation of the business.

Item 5 – Wages (Number of Weeks Basis)

The insurance under this Item is limited to the loss incurred by the Insured by the payment of Wages for a period beginning with the occurrence of the Damage and ending not later than the specified number of weeks.

The amount payable as indemnity under this Item will be the actual amount which the Insured shall pay as Wages for such period to employees whose services cannot, in consequence of the Damage, be utilised by the Insured at all and an equitable part of the Wages paid for such period to employees whose services cannot, in consequence of the Damage, be utilised by the Insured to the full, provided that, if the sum insured by this Item is less than the aggregate amount of the Wages that would have been paid during the specified number of weeks immediately following the Damage had the Damage not occurred, the amount payable will be proportionately reduced.

Item 6 – Fines and Penalties for Breach of Contract

The insurance under this Item is limited to fines or penalties for breach of contract, and the amount payable as indemnity hereunder shall be such sum as the Insured shall be legally liable to pay and shall pay in discharge of fines or penalties incurred solely in consequence of Damage for non-completion or late completion of orders.

Definitions

1. Indemnity Period

The period beginning with the commencement of the Damage and ending not later than the number of months thereafter stated in the Schedule, during which the results of the business shall be affected in consequence of the Damage.

2. Turnover

The money paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the business at the premises.

3. Revenue

The money paid or payable to the Insured for goods sold and for services rendered in the course of the business at the premises.

4. Gross Rentals

The money paid or payable to the Insured by tenants in respect of Rental of the premises and for services rendered.

5. Gross Profit (Difference Basis)

The amount by which:

(1) the sum of the turnover and the amount of the closing stock,

shall exceed;

(2) the sum of the amount of the opening stock and the amount of the uninsured costs.

The amount of the opening and closing stocks shall be arrived at in accordance with the Insured's normal accountancy methods, due provision being made for depreciation.

6. Uninsured Costs

As specified in the Schedule (the words and expressions used shall have the meaning usually attached to them in the books of account of the Insured).

7. Gross Profit (Additions Basis)

The sum produced by adding to the net profit the amount of the insured standing charges or, if there is no net profit, the amount of the insured standing charges less such proportion of any net trading loss as the amount of the insured standing charges bears to all the standing charges of the business.

8. Net Profit

The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the Insured at the premises after due provision has been made for all standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

9. Insured Standing Charges

As specified in the Schedule (the words and expressions used shall have the meaning usually given to them in the books of account of the Insured).

10. Standard Turnover, Standard Revenue and Standard Gross Rentals

The Turnover (Revenue) (Gross Rentals) during that period in the 12 months immediately before the date of the Damage which corresponds with the indemnity period.

11. Annual Turnover, Annual Revenue and Annual Gross Rentals

The Turnover (Revenue) (Gross Rentals) during the 12 months immediately before the date of the Damage.

12. Rate Of Gross Profit

The rate of Gross Profit earned on the turnover during the financial year immediately before the date of the Damage.

to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business, either before or after the Damage or which would have affected the business had the Damage not occurred, so that the figures thus adjusted shall represent, as nearly as may be reasonably practicable, the results which, but for the Damage, would have been obtained during the relative period after the Damage.

Note: In respect of Items 10, 11 & 12, if the Damage occurs before the completion of the first year's trading of the business at the premises, the value of the Items shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of the Damage.

Memo

If, during the indemnity period, goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business, either by the Insured or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the Turnover, Revenue or Gross Rentals, during the indemnity period.

Extensions and Clauses

1. Accountants

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

2. Accumulated Stocks

In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in Turnover or Revenue due to the Damage is postponed by reason of the Turnover or Revenue being temporarily maintained from accumulated stocks.

3. Departments

If the business is conducted in departments or branches, the independent trading results of which are ascertainable, the provisions under Items 1 (Gross Profit), 2 (Gross Rentals) or 3 (Revenue) relating to reduction in Turnover/Gross Rentals/Revenue and increase in cost of working, shall apply separately to each department or branch affected by the Damage except that, if the sum insured by the relative item is less than the aggregate of the sums produced by applying the rate of gross profit to the relevant annual turnover/annual gross rentals/annual revenue (in each case proportionately increased where the number of months referred to in the indemnity period exceeds 12) for each department or branch of the business, whether or not affected by the Damage, the amount payable shall be proportionately reduced.

4. Deposit Premium

(If stated in the Schedule to be included)

In consideration of the premium by Items 1, 2 or 3 being provisional in that it is calculated at 75% of the sum insured, the premium is subject to adjustment on expiry of each period of insurance or 12 consecutive months from the inception date or anniversary date, if the policy is paid monthly as follows:

In the event of the Gross Profit/Gross Rentals/Revenue earned (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12 during the financial year most nearly concurrent with any period of insurance) being less or greater than 75% of the sum insured thereon, a pro rata return, or additional premium, not exceeding 33,33% of the provisional premium paid for such period of insurance, will be made in respect of the difference.

In the event of a claim being made under this Section, the amount paid or payable thereon shall be regarded as actually earned.

5. Output (Alternative Basis)

At the option of the Insured, the term Output may be substituted for the term Turnover and, for the purposes of this Section, Output shall mean the sale or transfer value, as shown in the Insured's books, of goods manufactured or processed by the Insured at the premises, provided that:

- (a) only the meaning of Output or the meaning of Turnover shall be operative in connection with any one event resulting in interruption;
- (b) if the meaning of Output be used:
 - (i) the Accumulated Stocks clause shall be inoperative;
 - (ii) the memo at the end of the Definitions shall read:

"If, during the indemnity period, goods shall be manufactured or processed other than at the premises for the benefit of the business, either by the Insured or by others on behalf of the Insured, the sale or transfer of such goods shall be brought into account in arriving at the Output during the indemnity period."

6. Salvage Sale

If the Insured shall hold a salvage sale during the indemnity period, Clause (i) of item 1 (Gross Profit) shall, for the purposes of such claim, read as follows:

"(a) **in respect of reduction in turnover** – the sum produced by applying the rate of Gross Profit to the amount by which the Turnover during the indemnity period (less the Turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the standard Turnover, from which sum shall be deducted the Gross Profit actually earned during the period of the salvage sale."

7. Extensions to Other Premises

Loss as insured by this Section resulting from interruption of or interference with the business in consequence of Damage at the undernoted situations or to property as undernoted, shall be deemed to be loss resulting from Damage to property used by the Insured at the premises.

(a) Specified suppliers/sub-contractors (if stated in the Schedule to be included)

The premises of the suppliers and sub-contractors specified in the Schedule subject to stated limits.

(b) Unspecified suppliers (if stated in the Schedule to be included)

The premises of any other of the Insured's suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any public supply undertaking from which the Insured obtains electricity, gas or water, subject to the limit stated in the Schedule.

(c) Storage, transit and vehicle

Property of the Insured while stored or while in transit by air, road, rail or inland waterway or being motor vehicles of the Insured elsewhere than at premises occupied by the Insured.

(d) Contract sites

Any situation not occupied by the Insured where the Insured are carrying out a contract.

(e) Prevention of access

Property within a 10km radius of the insured premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether or not the premises or property of the Insured therein shall be damaged.

(f) Prevention of access – extended cover (if stated in the Schedule to be included)

Property within a 10km radius of the premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether or not the premises or property of the Insured therein shall be damaged.

(g) Additional premises

In the event of the Insured occupying or having property at any newly-added premises for the purpose of the business during the currency of this Section, such newly-added premises shall be deemed to be included in those specified here, subject to notification to the Company as soon as reasonably practicable and to adjustment of the premium if necessary.

(h) Customers (if stated in the Schedule to be included)

The premises of the customers specified in the Schedule subject to the stated limits.

(i) Public utilities – Insured perils only (if stated in the schedule to be included)

Property at electricity generating stations, sub-stations or transmission networks, gasworks including the related gas distribution network, water purification plants, pumping stations, aqueducts and pipelines of an authority empowered by law to supply water, gas or electricity for consumption by the public and which results in an interruption of water, gas or electricity to the premises of the Insured.

(j) Public utilities - extended cover (if stated in the Schedule to be included)

Loss as insured resulting from interruption of or interference with the business in consequence of total or partial failure of the public supply of water, gas or electricity to the premises of the Insured shall be deemed to have resulted from Damage, provided that this Section does not cover loss resulting from damage directly or indirectly caused by:

- (i) drought;
- (ii) pollution of water;
- (iii) shortage of fuel or water;
- (iv) a fault in or of any part of the installation belonging to the premises;
- (v) the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority;
- (vi) any event described in General Exception 1 and 2, but cover provided by the Malicious Damage Extension in the underlying material damage Section of this policy is not excluded.

In respect of interruption of or interference with the business arising from mechanical, electrical or electronic breakdown, there shall be no liability under this extension for interruption of or interference with the business unless such interruption or interference extends beyond 24 hours from commencement thereof.

(k) Public telecommunications – insured perils only

- (i) property at the premises of any public authority which is empowered by law to supply telecommunication facilities to the insured;
- (ii) the transmission facilities network of the public authority mentioned in (i).

(l) Public telecommunications - extended cover (if stated in the Schedule to be included)

Loss as insured resulting from interruption of or interference with the business in consequence of the failure of the public telecommunication facilities to the premises of the Insured shall be deemed to have resulted from Damage (as within defined), provided that this extension does not cover loss resulting from Damage directly or indirectly caused by:

- (i) drought;
- (ii) a fault on any part of the premises belonging to the Insured;
- (iii) a decision by any authority to legally withhold the telecommunication facility from the Insured unless such decision is directly attributable to Damage to property of such authority;
- (iv) any event described in General Exception 1 and 2, but cover provided under the Malicious Damage Extension in the underlying policy is not excluded.

If the failure of the facility is due to its mechanical, electrical or electronic breakdown, there shall be no liability under this Extension unless the interruption of or interference with the business of the Insured extends beyond 24 hours from commencement thereof.

(m) Accidental damage (if stated in the Schedule to be included)

The following Defined Event is added:

“2. Loss following interruption of or interference with the business in consequence of Damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under Defined Event (i) of the Accidental Damage Section of this policy (hereinafter termed Damage), provided that:

- (a) the provision under any Item of this Section that the payment will be reduced proportionately if the amount insured by the Item is not adequate, is deleted in respect of this Defined Event;

- (b) the Company shall not pay more than the sum insured stated in the Schedule of the Accidental Damage Section for both this Section and the Accidental Damage Section combined."

The geographical limits of:

- (i) paragraphs (b), (c), (d), (e), (f), (h), (i), (j), (k) and (l) of the Extensions to Other Premises are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
- (ii) paragraph (g) Additional Premises, are confined to the Republic of South Africa and Namibia.

8. Guesthouse and Lodge Extension

(If stated in the Schedule to be included)

These extensions only apply to the part of the risk that relates to the guesthouse and/or lodge if insured in terms in terms of this section.

Murder/Suicide/Illness/Disease/Pollution/Shark and Animal Attack

Damage (as within defined) is deemed to include loss following the interruption of or the interference with the business as a result of;

- (a) murder, suicide or armed robbery at the Insured's premises;
- (b) food or drink poisoning at the insured's premises;
- (c) closure of the premises due to noxious fumes within a 15 kilometre radius of the Insured's premises, on the order of the competent local, municipal, regional or government authority responsible for the area;
- (d) adverse weather conditions within a 15 kilometre radius of the Insured's premises, of sufficient intensity and/or strength with the potential to cause damage to property or injury to persons;
- (e) pollution of any sea, beach, waterway, dam or river within a 15 kilometre radius of the Insured's premises other than pollution of drinking water;
- (f) shark or wild animal attack within a 15 kilometre radius of the Insured's premises;
- (g) bomb-scare in excess of 6 hours of such bomb-scare within a 15 kilometre radius of the Insured's premises;
- (h) closure of the premises due to vermin, pest or defective sanitary arrangements at the insured's premises, on the order of the competent local, municipal, regional or government authority responsible for the area;
- (i) contagious or infectious notifiable disease within a 15 kilometre radius of the Insured's premises provided that the municipal, regional, local or government authority responsible for the area has declared a notifiable medical condition or communicable disease to exist within the area and/or has imposed quarantine regulations and/or has acted to restrict access to the area in terms of any local, municipal, regional or national law, by-law or regulation pertaining to public health and safety,

provided that:

- (i) 'indemnity period' shall mean the period commencing with the occurrence of (a), (b), (d), (e), (f) or (g) above or for (c) (h) and (i) the date on which restrictions on the premises were applied and ending not later than three months thereafter;
- (ii) 'Insured's premises' shall mean those locations listed in the schedule as the Insured's premises and shall not include the premises of suppliers, customers, contractors (or subcontractors) notwithstanding that this insurance may otherwise be extended to include such premises;
- (iii) contagious or infectious notifiable disease shall mean illness sustained to any person resulting from any human infectious or human contagious disease, an outbreak of which the municipal, regional, local or government authority has stipulated shall be notified to them excluding Acquired Immune Deficiency Syndrome (AIDS) or AIDS related condition.

The cover granted by this extension does not include any costs arising from cleaning, repair, recall or checking the Insured's premises.

Liquor License

Loss as insured by the section resulting from interruption of or interference with the business in consequence of a license granted in respect of the premises for the sale by retail of excisable liquors the license becoming suspended or forfeited under the provisions of the appropriate legislation governing such licenses or refused renewal after due application for such renewal to the appropriate authority at any time during the period of insurance such suspension forfeiture or refused renewal being occasioned by reasons beyond the control of the Insured,

provided that:

- (a) if the Insured shall be entitled to obtain the payment of compensation under the provisions of any act of Parliament in respect of the refusal to renew the license no claim shall arise under this section;
- (b) in the event of death, bankruptcy, incapacity, desertion of the premises or conviction for any offence where such conviction affects the character or reputation of the convicted person with respect to his honesty moral standing or sobriety of the tenant, manager, occupier or licensee the insured shall, where practicable and at the request of the Insurer, procure a suitable person to replace him and one to whom the justice will transfer the license or grant the license by way of renewal;
- (c) if the forfeiture of or refusal to renew the license be occasioned wholly or partly by or through the misconduct or procurement or connivance or neglect or omission of the Insured or by any omission of the Insured to take any step necessary for keeping the license in force, no claim shall arise under this section unless the Insured or any other claimant hereunder shall prove to the reasonable satisfaction of the Insurer that such matter was beyond his or their power or control;
- (d) if refused renewal suspension or forfeiture of the license arises directly or indirectly from any scheme of town or country planning improvement or redevelopment, compulsory purchase or from an amendment of the law affecting the grant, surrender refusal to renew suspension or forfeiture of licenses, no claim shall arise under this section;
- (e) the insured shall become aware of any:
 - (i) complaint against the premises or the control thereof;
 - (ii) proceedings against or conviction of the licensee manager tenant or occupier of the premises for any breach of licensing law or any matter whatsoever whereby the character or reputation of the person concerned is affected or called into question with regard to his honesty moral standing or sobriety;
 - (iii) transfer or proposed transfer of the license;
 - (iv) alteration in the purpose for which the premises are used;
 - (v) objection to renewal or other circumstances which may endanger the license or renewal thereof, immediately give notice thereof in writing to the Insurer and supply such additional information and give such assistance as the Insurer may reasonably require.

The geographical limits of this extension are confined to the Republic of South Africa and Namibia.

ACCOUNTS RECEIVABLE SECTION

Defined Events

Loss or damage (hereinafter in this Section termed Damage) as a result of accident or misfortune to the Insured's books of account or other business books or records at the premises or at the residence of any director, partner, employee or the premises of any accountant of the Insured, in consequence whereof the Insured are unable to trace or establish the outstanding debit balances, in whole or part, due to them,

provided that the liability of the Company shall not exceed the sums insured stated in the Schedule and that the basis of indemnity will be as set out in the Specification which forms part of this Section.

If, because of imminent danger of their destruction, such books of account or other business books or records are removed to a place of safety, the insurance hereunder shall apply if such goods are Damaged during such removal or while so located or being returned to the premises, provided that the Insured shall notify the Company in writing of such removal within 30 days thereof.

The Company will also pay all reasonable collection costs and expenses incurred by the Insured in excess of normal collection costs and expenses made necessary because of such Damage.

Specific Exceptions

The Company will not pay for:

- (a) loss resulting from loss of or damage to the books of account or other business books or records caused by:
 - (i) wear and tear or gradual deterioration or moths or vermin;
 - (ii) detention, seizure or confiscation by any lawfully constituted authority;
 - (iii) electrical, electronic or magnetic injury, disturbances or erasure unless the Insured maintains the duplicate records referred to in the Duplicate Records clause, in which case the Insured will be responsible for the first R500 of each and every loss;
- (b) loss caused by the fraud or dishonesty of any principal, director, partner or employee of the Insured.

Specification

The insurance under this Section is limited to loss sustained by the Insured in respect of outstanding debit balances directly due to the Damage and the amount payable shall not exceed:

- (i) the difference between:
 - (a) the outstanding debit balances,
 - and
 - (b) the total of the amounts received or traced in respect thereof,
 - plus
- (ii) the additional expenditure incurred in tracing and establishing customers' debit balances after the Damage,

provided that, if the sum insured under this Item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

Definition

Outstanding Debit Balances

The total declared in the statement last given under the provisions of Memorandum 1 hereunder, adjusted for:

- (a) bad debts;
- (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to customers' accounts in the period between the date to which said last statement relates and the date of the Damage;

and

- (c) any abnormal condition of trade which had or could have had a material effect on the business,

so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

Clauses and Memoranda

1. Declarations

The Insured shall, within 60 days of the end of each month or other agreed period, deposit with the Company a signed statement showing the total amount outstanding in customers' accounts as set out in the Insured's accounts as at the end of the said month.

2. Adjustment

In consideration of the premium under this Section being provisional in that it is calculated on 75% of the sum insured, the premium will be adjusted as follows:

On the expiry of each period of insurance or if a monthly policy, each period of 12 consecutive months from the inception or anniversary date, the actual premium shall be calculated at the rate per cent per annum on the average amount insured, i.e. the total of the sums declared divided by the number of declarations. If the actual premium is greater than the provisional premium, the Insured shall pay the difference. If it is less, the difference shall be repaid to the Insured, but such payment or repayment shall not exceed 33,33% of the provisional premium paid.

If the amount of a declaration exceeds the sum insured applicable at the date of such declaration then, for the purposes of this memorandum only, the Insured shall be deemed to have declared such sum insured.

3. Riot and Strike

(If stated in the Schedule to be included)

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

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

provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than Loss of Rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A), (ii), (iii), (iv), (v) or (vi) of this policy, or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

4. Accountants Clause

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

5. Duplicate Records

(If stated in the Schedule to be included)

The Insured shall maintain duplicates of their books of account or other business books or records containing details of outstanding balances and such duplicates shall be stored at different premises from the originals.

6. Protections Warranty

(If stated in the Schedule to be included)

It is hereby warranted that the Insured's books of account or other business books or records containing details of outstanding balances will be kept in a fire resistant safe, cabinet or strong room outside of business hours unless they are being worked on or are required for immediate reference.

7. Transit

(If stated in the Schedule to be included)

The insurance under this Section includes Damage to the insured's books of account or other business books or records while in transit to or from the premises or residence of any director, partner, employee or accountant of the Insured.

THEFT SECTION

Defined Events

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

Extensions

1. The insurance under this Section extends to cover loss of or damage (including Malicious Damage) to the property insured:
 - (a) caused or accompanied by:
 - (i) a thief or thieves being concealed upon the insured premises before close of business;
 - (ii) entry into and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding a duplicate key), provided that the Insured shall establish to the satisfaction of the Company that such a skeleton key or device was used;
 - (b) while in a building at any additional premises used by the Insured, provided that:
 - (i) such additional premises are advised to the Company within 30 days from the time the risk attaches to the Company;
 - (ii) an additional premium, if any, is paid;
 - (iii) the Company's liability in respect of this Extension shall not exceed 50% of the highest amount stated in the Schedule applicable to any one premises.
 - (c) any increased limit for loss of or damage to property resulting from damage as a result of theft or attempt thereat if stated in the schedule to be applicable.
2. In addition to the limit of indemnity stated in the Schedule:
 - (a) the insurance under this Section includes:
 - (i) Damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of theft or any attempt thereat;
 - (ii) loss of buildings, landlord's fixtures and fittings at the insured premises as a result of theft accompanied by forcible and violent entry into or exit from such building, or any attempt thereat, or as a result of theft, or any attempt thereat, following violence or threat of violence;

- (b) the Company will reimburse all reasonable costs and expenses incurred by the Insured in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or damage giving rise to a claim under this Section,

provided that, in respect of any one event, the Company's liability shall not exceed the greater of R10,000 or the amount stated in the Schedule.

- (c) any increased limit for loss of or damage to property resulting from damage as a result of theft or attempt thereat if stated in the schedule to be applicable.

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

provided that, in respect of any one event:

- (a) the Company's liability shall not exceed R10,000;

- (b) the Company shall not be liable for the first R1,000.

- 4. The term 'all contents' includes personal effects, tools and pedal cycles the property of the Insured or any principal, partner, director or employee of the Insured in so far as such property is not otherwise insured, up to an amount of R5,000 less a first amount payable of R500 in the case of any one person.

Limitations

The Company's liability in respect of documents, manuscripts, business books, computer system records and media, plans, designs, patterns, models and moulds is restricted to the value of materials and sums expended in labour.

Specific Exceptions

The Company shall not be liable for:

- 1. loss or damage which can be insured under a Fire policy except in the case of explosion caused in an attempt to effect entry;
- 2. loss or damage insurable under a glass insurance policy;
- 3. property more specifically insured or, unless specified in the Schedule, cash, bank and currency notes, cheques, postal orders, money orders, current negotiable stamps and documents or certificates of a negotiable nature;
- 4. loss or damage in which any member of the Insured's household or any of the Insured's employees is concerned as principal or accessory;
- 5. loss of or damage to any mechanically propelled vehicle, including motor cycles, tricycles, quad bikes, special types, unless specifically included by Specific Extension hereto;
- 6. any first amount payable which is stated in the Schedule.

Specific Conditions

1. Voidable

This Section shall be voidable if the nature of the risk is materially altered without the prior written consent of the Company.

2. Burglar Alarm Warranty

(If stated in the Schedule to be applicable)

In respect of any premises stated in the Schedule as being subject to a burglar alarm warranty, it is hereby warranted that:

1. where the installed alarm is a SAIDSA Approved (Pty) Ltd certified alarm:
 - (a) the Company will be entitled to request full information in respect of the relevant arming, disarming and monitoring log report after the occurrence of a loss;
 - (b) loss of or damage to the property following the use of any key, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the insured is not covered unless such key, keypad code, remote control or any duplicate thereof has been obtained by violence or threat of violence to any person or such key, keypad code or remote control was obtained by theft.
2. where the installed alarm is not a SAIDSA Approved (Pty) Ltd certified alarm:
 - (a) the said alarm is to be a radio-controlled and/or telephone-linked monitoring alarm where available (for the purposes of this requirement, monitoring shall mean that, once the alarm is triggered, a signal will be transmitted to the control room which includes a 24-hour armed reaction or response unit);
 - (b) it is also a requirement that such alarm system include anti-tampering measures which will log such events including, but not limited to, power cuts and the like;
 - (c) if the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available;
 - (d) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and, after the occurrence of a loss, the Company will be entitled to request full information in respect of the arming, disarming, testing and monitoring log report;
 - (e) the alarm installed at the premises shall be set and armed and made fully operational whenever the premises are not open for business, unless a principal, partner, director or employee of the Insured is on the premises;
 - (f) such alarm will be maintained in proper working order and tested at least once a month, but the Insured shall be deemed to have discharged their liability in this regard if they have maintained the obligations under a maintenance contract with the suppliers or servicing engineers of the alarm system;
 - (g) loss of or damage to the property following the use of any key, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured is not covered unless such key, keypad code, remote control or any duplicate thereof has been obtained by violence or threat of violence to any person or such key, keypad code or remote control was obtained by theft.

Specific Extension

Guesthouse and Lodges

(If stated in the Schedule to be included)

This extension only applies to the part of the risk that relates to the guesthouse and/or lodge if insured if specifically insured in terms of this Section.

Loss of or damage to all contents (the property of the insured or for which they are responsible) of any insured building at the insured premises described in the schedule as a result of theft or any attempt thereat, provided that theft from any bar, bottle store, liquor or cigarette storage area should be accompanied by forcible and violent entry into or exit from such building.

MONEY SECTION

Defined Events

Loss of or damage (hereinafter in this Section termed Damage) to money (as defined) occurring in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, except as otherwise specified, provided that the liability of the Company for all loss or damage arising from all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the specific limitations stated in the Schedule.

Definitions

Money

shall mean cash, bank and currency notes, cheques, postal orders, money orders, current negotiable postage revenue and holidays stamps, credit card vouchers and documents, certificates or other instruments of a negotiable nature, the property of the Insured or for which they are responsible.

Receptacle

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

Clothing

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

Extensions

1. Receptacles

In addition to any payment in respect of Damage, the Company will indemnify the Insured in respect of receptacles lost or damaged as a result of theft of money or any attempted theft of money, provided that the Company's liability under this Extension shall not exceed R10,000 less a first amount payable of R500 or the amount stated in the Schedule, whichever is the greater.

2. Clothing

In addition to any payment in respect of Damage, the Company will indemnify the Insured in respect of clothing (as defined) lost or damaged as a result of theft of money or any attempted theft of money, provided that the Company's liability under this Extension in respect of clothing shall not exceed R10,000 less a first amount payable of R500 or the amount stated in the Schedule, whichever is the greater.

3. Locks and Keys

In addition to any payment in respect of Damage, the Company will indemnify the Insured in respect of the cost of replacing locks and keys to any receptacle at the insured premises following upon the disappearance of any key to such receptacle or following upon the Insured having reason to believe that an unauthorised person may be in possession of such key or a duplicate thereof, whether or not obtained by violence or threat of violence,

provided that, in respect of any one event:

- (i) the Company's liability shall not exceed R10,000;
- (ii) the Company shall not be liable for the first R1,000.

4. Riot and Strike

(If stated in the Schedule to be included)

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

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

provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

5. Skeleton Keys

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

6. Post-Trauma Counselling

The Company will indemnify the Insured for the cost of treatment of any principal, partner, director or employee of the Insured by a registered psychologist as a result of their having been psychologically traumatised as a direct result of an insured event under this Section. The Company's liability in respect of any one claim or series of claims arising from any one event will be limited to R2,500 per person with a maximum limit of R25,000 any one event.

7. Personal Accident (Assault)

The term "Defined Events" in the Money Section shall be deemed to include death or bodily injury, caused by accidental, violent, external and visible means, as a result of theft or any attempt thereat, of or to the insured or any principal, partner, director or employee of the Insured (hereinafter in this Extension referred to as 'such person') while such person is acting in the course of his/her duties in the Insured's employ.

The Company will pay to the Insured, on behalf of such person or his estate, the sum or sums stated in the Schedule in the event of bodily injury to such person resulting within 24 calendar months in:

1. Death - the capital sum of R10,000 or the amount stated in the Schedule;
2. Permanent disability - the percentage of the capital sum of R10,000 or the amount stated in the Schedule.

Permanent Disability

The % of the Capital Sum Insured

a) loss by physical separation at or above the wrist or ankle of one or more limbs	100 %
b) permanent and total loss of	
- whole eye	100 %
- sight of eye	100 %
- sight of eye except perception of light	75 %
c) permanent and total loss of hearing	
- both ears.....	100 %
- one ear	25 %
d) permanent and total loss of speech	100 %
e) injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100 %
f) loss of four fingers	70 %
g) loss of thumb	
- both phalanges	25 %
- one phalanx	10 %
h) loss of index finger	
- three phalanges	10 %
- two phalanges	8 %
- one phalanx	4 %
i) loss of middle finger	
- three phalanges	6 %
- two phalanges	4 %
- one phalanx	2 %
j) loss of ring finger	
- three phalanges	5 %
- two phalanges	4 %
- one phalanx	2 %
k) loss of little finger	
- three phalanges	4 %
- two phalanges	3 %
- one phalanx	2 %

- l) loss of metacarpals
 - first or second (additional) 3 %
 - third, fourth or fifth (additional) 2 %
- m) loss of toes
 - all on one foot 30 %
 - great, both phalanges 5 %
 - great, one phalanx 2 %
 - other than great, if more than one toe lost, each 2 %
- 3. In the case of total and absolute incapacity from following usual business or occupation, the weekly sum of R1,000 or the amount stated in the Schedule for a maximum of 52 weeks.
- 4. The reasonable expenses incurred, up to the sum of the greater of R2,500 less the first amount payable of R250 or the amount stated in the Schedule, shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) incurred within 12 months of the Defined Event.

Memoranda

(Applicable to Permanent Disability Benefits)

- (a) Where the injury is not specified, the Company will pay such sum as, in their opinion, is consistent with the above provisions;
- (b) permanent total loss of use of part of the body shall be treated as loss of such part;
- (c) 100% shall be the maximum percentage of compensation payable for disability resulting from an accident or series of accidents arising from one cause in respect of any such person,

provided that:

- (i) the Company shall not be liable to pay, in respect of any one such person, more than the capital sum plus the sums specified under Items 3 and 4;
- (ii) the sum specified under Item 3 shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 weeks, and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
- (iii) compensation payable under Item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation or similar enactment in respect of any treatment for which compensation is payable under Item 4;
- (iv) this Extension shall not apply to any such person under 15 or over 70 years of age;
- (v) after suffering bodily injury for which a benefit may be payable under this Extension, such person shall submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- (vi) General Exception 2 and General Conditions 2 and 9 do not apply to this Extension;
- (vii) in respect of this Extension only, General Exception 1 is deleted and replaced by the following:

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

Extensions to the Personal Accident (Assault) Extension

1. Bodily injury shall be deemed to include death or injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from such person being the victim of theft or any attempt thereat.
2. In the event of disappearance of any such person in circumstances which satisfy the Company that he/she has sustained injury to which this Personal Accident (Assault) Extension applies, and that such injury has resulted in the death of such person, the Company will, for the purposes of the insurance afforded by this Extension, presume his death, provided that if, after the Company shall have made payment hereunder in respect of such person's presumed death, he/she is found to be alive, such payment shall forthwith be refunded by the Insured to the Company.

Specific Exceptions

The Company shall not be liable for Damage to money:

- (1) arising from the dishonesty of any principal, partner, director or person in the employ of the Insured not discovered within 14 working days of the occurrence thereof;
- (2) arising from shortage due to error or omission;
- (3) arising from the use of keys to any safe or strong room unless the keys:
 - (a) are obtained by violence or threats of violence to any person;
 - (b) are used by the key holder, or some other person with the collusion of the key holder, and the Insured can prove to the satisfaction of the Company that the key holder or such other person had used the keys to open the safe or strong room;
- (4) in an unlocked safe or strong room while the portion of the premises containing such safe or strong room is unattended, but this Exception will not apply if it can be shown to the satisfaction of the Company that the key holder to the safe or strong room deliberately left it unlocked with the intention of allowing the money to be stolen;
- (5) not contained in a locked safe or strong room while the portion of the premises containing such money is unattended, but this Exception will not apply if it can be shown to the satisfaction of the Company that the key holder to the safe or strong room deliberately left it outside the safe or strong room with the intention of allowing the money to be stolen;
- (6) in any vehicle being used by the Insured unless a principal, partner, director or employee of the Insured is actually in such vehicle or, if not in such vehicle, is within 5 metres of it in a position from which the vehicle is clearly visible.

This Exception shall not apply following an accident involving such vehicle rendering the said person incapacitated.

Specific exceptions (3), (4), (5) and (6) do not apply up to an amount of R5,000 and such losses shall be reduced by any first amount payable.

Memoranda

1. Damage to money arising from dishonesty of any person or persons in the employ of the Insured as insured under this Section shall be subject to the following compulsory first amount payable clause.

The amount payable hereunder in respect of an event involving one or any number of employees acting in collusion shall be reduced by:

- (a) 2% of the applicable limit under defined events plus;
- (b) a further amount of 10% of the net amount payable after deduction of the 2% specified in (a) above.

Both amounts shall be borne in full by the Insured.

2. The Company shall not be liable under this Section of the policy in respect of Damage arising from any event in respect of which a claim is payable, or would be payable but for any first amount payable or co-insurance clause, under the Fidelity Section of the policy or any other fidelity insurance.

Specific Conditions

1. First Amount Payable Applicable to Theft of Cheques

Any loss or series of losses attributable to one original event which is payable under this Section and which results from the theft of any cheque or cheques shall be reduced by a first amount payable of 25% of the loss indemnifiable by this Section unless, in respect of:

1. cheques drawn by the Insured:
 - (a) the cheque has been drawn and crossed exactly in accordance with the under-mentioned "Recommended South African Insurance Association (SAIA) procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA, or by any similarly accredited association or authority, and the printed portion of the cheque (as opposed to the typed or written portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau or similarly accredited cheque clearing organisation; or
 - (b) the cheque has been dispatched to the payee by certified post or any post where the security is equal or superior to certified post;
2. cheques drawn by someone other than the Insured and which were received by the Insured by post or direct by the cashier:
 - (a) such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by the Insured; and
 - (b) the Insured is able to identify the drawer and amount of the cheque from their records;
3. cheques of which the Insured is the true owner which were drawn by someone other than the Insured and posted to the Insured but not received:
 - (a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended SAIA procedure for drawing and crossing of cheques" or any other superior method; or
 - (b) the cheque was dispatched to the Insured by certified post or any post where security is equal or superior to certified post; or

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

2. Recommended Insurance Industry Approved Procedure for Drawing and Crossing of Cheques and Printing of Blank Cheques.

A. Drawing and Crossing of Cheques

One of the safest methods of drawing and crossing a cheque which is acceptable to banks is as noted hereunder. This method is recommended by South African Insurance Association (SAIA).

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

Where the bank account number or CC number of the payee is known this should be included after the name of the payee, for example, "RH Jones (Pty) Ltd, Co No: 69/123456 or "RH Jones (Pty) Ltd ABC Bank Account no: 123456789"

Whilst highly recommended, it is not compulsory to use the bank account number of the payee.

7. In drawing the cheque, no spaces should be left which would allow anyone to add extra words or figures.
8. An example of this method of drawing a cheque is attached as Annexure A.
9. On the rear of the cheque, the wording listed in Annexure B (last page of this section) should be printed. Please ensure that space is left on the rear of the cheque for bank stamps and endorsements.
10. All the markings on a cheque should be legible and clearly visible. Persons drawing cheques should not use abbreviated or different versions of the terminology used in the example. The words "not neg" and a crossing using a rubber stamp containing a rectangle rather than two parallel lines are worthless.
11. The method used to complete cheques should be one which makes an ink impression on the paper like hand writing, a typewriter or a dot matrix printer. The ribbon used on the printer/typewriter should be of the type which impregnates the paper with ink.

Do not use:

- (i) old ribbons;
- (ii) laser printers which do not make an impression into the paper;
- (iii) the "reverse printing technique";
- (iv) correctable type ribbons.

B. Printing of Blank Cheques

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

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

3. Burglar Alarm Warranty

(If stated in the Schedule to be applicable)

In respect of any premises stated in the Schedule as being subject to a burglar alarm warranty, it is hereby warranted that:

1. where the installed alarm is a SAIDSA Approved (Pty) Ltd certified alarm:
 - (a) the Company will be entitled to request full information in respect of the relevant arming, disarming and monitoring log report after the occurrence of a loss;
 - (b) Damage to the property following the use of any key, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured is not covered unless such key, keypad code, remote control or any duplicate thereof has been obtained by violence or threat of violence to any person or such key, keypad code or remote control was obtained by theft;
2. where the installed alarm is not a SAIDSA Approved (Pty) Ltd certified alarm:
 - (a) the said alarm is to be a radio-controlled and/or telephone-linked monitoring alarm where available (for the purposes of this requirement, monitoring shall mean that, once the alarm is triggered, a signal will be transmitted to the control room which includes a 24-hour armed reaction or response unit);
 - (b) it is also a requirement that such alarm system include anti-tampering measures which will log such events including, but not limited to, power cuts and the like;
 - (c) if the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available;
 - (d) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and, after the occurrence of a loss, the Company will be entitled to request full information in respect of the arming, disarming, testing and monitoring log report;
 - (e) the burglar alarm installed at the premises shall be set and armed and made fully operational whenever the premises are not open for business, unless a principal, partner, director or employee of the Insured is on the premises;
 - (f) such alarm will be maintained in proper working order and tested at least once a month, but the Insured shall be deemed to have discharged their liability in this regard if they have maintained the obligations under a maintenance contract with the suppliers or servicing engineers of the alarm system;
 - (g) Damage to the property following the use of any key, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured is not covered unless such key, keypad code, remote control or any duplicate thereof has been obtained by theft or by violence or threat of violence to any person.

4. Transit Warranty

It is warranted that the Company will not be liable to indemnify the Insured in respect of Damage;

- (a) from any unattended vehicle,
- (b) where such money is in excess of R25,000 unless written acceptance from the Company has been received or the Schedule endorsed accordingly,

provided that:

- (a) this Transit Warranty does not apply to movement of money in the same building;
- (b) all banking deposit slips must be copied and a duplicate retained separately for record purposes.

Annexure A – SAIA Recommended Cheque

The diagram illustrates a SAIA Recommended Cheque with the following fields and annotations:

- ABC BANK LIMITED**: Provides additional remedies to the owner of the cheque.
- NOT NEGOTIABLE**: General crossing requires payment to be made to a bank only.
- NOT TRANSFERABLE**: Prohibits transfer of the cheque.
- 2014/10/30**: Cross out for added protection.
- PAY Dan Smith**: Leave no gaps; Use full correct name of payee.
- AMOUNT One Thousand Rand Only**: Leave no gaps; Draw a line after name, amount in words and amount in figures to prevent inclusion of further detail.
- R1000-00**: Draw a line after name, amount in words and amount in figures to prevent inclusion of further detail.
- OR ORDER OR BEARER**: Prohibits transfer of the cheque.
- Dan Smith**: Draw a line after name, amount in words and amount in figures to prevent inclusion of further detail.
- SIGNATURE**: Draw a line after name, amount in words and amount in figures to prevent inclusion of further detail.

Annexure B – SAIA Recommended Cheque

Warning to be printed on rear of cheque – leave enough space for bank stamps, etc.

Warning

To person In cashing this cheque or receiving it in exchange for any consideration

Where a cheque has been stolen from or lost by the true owner, you may be liable to reimburse him for his loss if you cash such cheque or receive it in exchange for any consideration. (Section 81 of the Bills of Exchange Act, 1964, as amended)

NB: This cheque is crossed and marked "Not Negotiable" and "Not Transferable"

GLASS SECTION

Defined Events

Loss of or damage (hereinafter in this Section referred to as Damage) to internal and external glass (including mirrors), signwriting and treatment thereon at the insured premises as stated in the Schedule, the property of the Insured or for which they are responsible.

Following Damage to glass, the Company will also indemnify the Insured for:

1. the cost of such boarding up as may be reasonably necessary;
2. damage to shop fronts, frames, window displays (including fixtures and fittings), burglar alarm strips, wires and vibrators as a direct result of such Damage;
3. the cost of removal and reinstallation of fixtures and fittings necessary for the replacement of the glass;
4. the cost of employment of a watchman service prior to replacement of glass or boarding up or the repair of the burglar alarm system, unless payable under any other insurance arranged by the insured,

provided that the liability of the Company shall not exceed:

- (i) for the replacement of glass, sign writing and treatment - the sum insured as stated in the Schedule applicable to the premises at which Damage occurs;
- (ii) for all other costs and expenses provided for by this Section and resulting from one occurrence or series of occurrences attributable to one source or original cause - in the aggregate the sum of R10,000.

Specific Condition

Average

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

Definition of Glass

Unless specifically agreed, all glass (other than mirrors) insured by this Section is presumed to be plain plate/float glass not exceeding 6 millimetres in thickness (whether coated with a film or not) or plastic laminated safety glass not exceeding 8 millimetres in thickness.

Specific Exceptions

The Company shall not be liable for:

1. Damage which is insured by or would, but for the existence of this Section, be insured by any Fire insurance except in respect of any excess beyond the amount which would have been payable under such Fire insurance had the insurance under this Section not been effected, but this Specific Exception shall not apply to Damage for which the Insured is responsible as tenant and not as owner;
2. glass forming part of stock in trade;
3. glass which, at inception of this insurance, is cracked or broken unless cover has been agreed by the Company;
4. defacement or damage other than fracture through the entire thickness of the glass or any laminate thereof.

Extensions

1. Special Reinstatement

(Only applicable if insured on full replacement value)

If, following Damage insured hereunder, the Insured is obliged in terms of the National Building Regulations or similar legislation to replace the damaged glass with glass of a superior quality, the Company shall be liable for the increased cost of such replacement including (but not limited to) frames therefor, provided that, if the cost of so replacing the whole of the insured property (inclusive of other items insured) is greater than the sum insured thereon at the time of the Damage, the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

2. Riot and Strike

(If stated in the Schedule to be included)

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

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

provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exceptions 1(A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

FIDELITY SECTION

Defined Events

1. Loss of money and/or other property, belonging to the Insured or for which they are responsible, stolen by an insured employee during the currency of this Section;
2. Direct financial loss sustained by the Insured as a result of the fraud or dishonesty of an insured employee, all of which occurs during the currency of this Section, which results in dishonest personal financial gain for the employee concerned and which is discovered during the period of insurance or within 12 months of the termination of the policy,

provided that:

- (i) (a) the Company is not liable for all losses which occurred more than 24 months prior to discovery;
(b) all losses are discovered not later than 12 months after the termination of:
 - (i) this Section; or
 - (ii) this Section in respect of any insured employee concerned in a loss; or
 - (iii) the employment of the insured employee or the last of the insured employees concerned in a loss; orwhichever occurs first;
- (ii) (a) **Blanket basis** – the liability of the Company for all losses shall not exceed the sum insured stated in the Schedule whether involving any one employee or any number of employees acting in collusion or independently of each other;
(b) **Named or position basis** – the liability of the Company for all losses involving any employee shall not exceed the sum insured stated opposite his/her name in the Schedule or, if s/he is unnamed, the sum insured stated opposite the position held by him/her in the business as stated in the Schedule;
- (iii) renewal of this insurance from period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the Company beyond the sum insured stated in the Schedule. If the period of insurance is less than 12 months, the Company's liability is limited to the sum stated in the Schedule during any 12-month period of insurance calculated from inception or renewal;
- (iv) the amount payable during any one period of 12 consecutive months from inception or anniversary date, shall not exceed the sum insured stated in the Schedule at the said inception or anniversary date as the case may be, or double the sum insured if the "Reduction/Reinstatement of Insured Amount" clause applies;
- (v) the term "dishonest personal financial gain" shall not include gain by an employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

Definition

Employee shall mean:

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

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

Specific Exceptions

1. The Company shall not be liable for:

- (a) loss or damage resulting from or contributed to by any theft, fraud or dishonesty by;
 - (i) any partner in or of the insured to the extent that such partner would benefit by indemnity granted under this policy;
 - (ii) any principal, director or member of the insured unless such director or member is also an employee;
 - (ii) any employee from the time the Insured shall become aware that such employee has committed any fraud or dishonesty;
- (b) any consequential losses of any kind following losses referred to under Defined Events.

2. This Section does not cover any company or other legal entity acquired during the Period of Insurance.

3. The Company shall not be liable for any Defined Event if it results from dishonesty involving the:

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

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

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

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

This Specific Exception applies only to Partnerships, Proprietary Companies and Close Corporations.

Specific Conditions

1. The Insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting his business as has been represented to the Company, but the Insured may:
 - (a) change the remuneration and conditions of service of any employee;
 - (b) in respect of any employee who is described in the Schedule by name, change his/her duties and position;
 - (c) in respect of any employee who is described in the Schedule only by the position held by him/her, remove such employee and place in his/her position any other person who falls within the definition of employee;
 - (d) make such other changes as are approved beforehand in writing by the Insured's auditors.
2. If the Insured shall sustain any loss to which this Section applies which exceeds the amount payable hereunder in respect of such loss, the Insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security or indemnity taken or effected by the Insured or for the amount of any first amount payable) by whomsoever made on account of such loss until fully reimbursed, less the actual cost of effecting the same, and any remainder shall be applied to the reimbursement of the Company and the Insured to the extent of their coinsurance in terms of Item (b) of the Compulsory First Amount Payable clause.

Clauses and Extensions

1. Accountants

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

2. Extended Cover for Past Employees

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

3. Retroactive Cover – No Previous Policy in Force

(If stated in the Schedule to be included)

This Section will also apply to Defined Events as insured herein which occurred up to 12 months prior to inception of this Section, but not more than 24 months prior to discovery, provided that the events are discovered within the shorter period of 12 months of the termination of the employment of the employee concerned and 12 months of the expiry of this Section.

4. Superseded Insurance

(If stated in the Schedule to be included)

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

1. this Extension is restricted to losses which would have been payable by the superseded insurance, but which are not claimable solely because of the expiry of the period of time allowed by the superseded insurance for the discovery of the Defined Events;

2. the Defined Events are discovered within the shorter period of 12 months of the termination of the employment of the employee concerned and 12 months of the expiry of this Section;
3. the amount payable under this Extension shall not exceed the amount insured by this Section or the amount insured by the superseded insurance, whichever is the lesser;
4. in the event of the Defined Events involving one employee or any number of employees occurring during both the currency of this Section and that of the superseded insurance, the maximum amount payable shall not exceed the amount insured by this Section at the time of discovery of the Defined Events;
5. this Extension will not apply to Defined Events which occurred more than the number of years stated in the Schedule before inception of this Section;
6. the Company shall not be liable for any loss which occurred more than 24 months prior to discovery.

5. Other Insurances

It is a condition of this Section that, other than:

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

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

6. Compulsory First Amount Payable

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

- (a) 2% of the aggregate of the sum insured under this policy and the declared policy or R60,000, whichever is the lesser;

plus

- (b) 10% of the amount payable after deducting the first amount payable due in (a) above.

Both amounts shall be borne by the Insured in full and remain uninsured.

7. Computer Losses First Amount Payable

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

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

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

8. First Amount Payable for Losses Discovered More than 12 Months After They Were Committed

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

1. it was committed;
2. the first event in a series of events committed by one person or a number of persons acting in collusion, the percentages contained in the First Amount Payable clause are increased as follows:

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

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

9. Voluntary First Amount Payable

(If stated in the Schedule to be included)

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

10. Reduction/Reinstatement of Insured Amount

(If stated in the Schedule to be included)

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

1. the maximum amount payable by the Company for all insured employees shall not exceed double the sum insured shown in the Schedule;
2. the Insured pays additional premium calculated in terms of the following formula;

$$\begin{array}{l} \text{Annual premium or if a monthly policy, 12 times} \\ \text{the monthly premium in force at time of discovery} \\ \text{of the loss} \end{array} \times \frac{\text{Amount of insured loss}}{\text{Sum insured at time of discovery of loss}}$$

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

11. Costs of Recovery

(If stated in the Schedule to be included)

If the Insured shall sustain any loss to which this Section applies which exceeds the sum insured hereunder, the Company will, in addition to the sum insured, pay to the Insured costs and expenses not exceeding the amount stated in the Schedule, necessarily incurred with the consent of the Company (which consent shall not be unreasonably withheld) for the recovery or attempted recovery from the employee in respect of whom the claim is made, of that part of the loss which exceeds the sum insured hereunder.

All amounts recovered by the Insured in excess of the said part of the loss shall be for the benefit of the Company and the Insured to the extent of their coinsurance in terms of Item (b) of the Compulsory First Amount Payable clause.

12. Computer Losses

(If stated in the Schedule to be included)

The Insured having completed a questionnaire, the answers to which have satisfied the Company, Specific Exception 3 and the Computer Losses First Amount Payable clauses are deleted.

13. Extension for Losses Discovered More Than 24 Months After Being Committed but Not More Than 36 Months Thereafter

(If stated in the Schedule to be included)

1. In consideration of the payment of an additional premium, Proviso 1(a) of the Defined Events is restated to read:
"1. (a) the Company is not liable for all losses which occurred more than 36 months prior to discovery."
2. If this Section includes the Superseded Insurance clause, the period referred to in Proviso 6 thereof is increased from 24 months to 36 months.

14. Extension Granted On Receipt of a Satisfactory Systems Audit in Respect of Losses Discovered More Than 24 Months After Being Committed

(If stated in the Schedule to be included)

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

- control;
- detection of fraud, dishonesty and theft,

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

1. proviso 1(a) of the Defined Events (which limits cover to that part of losses discovered within 24 months) and Proviso 6 of the Superseded Insurance clause (if applicable) are deleted;
2. if any Defined Event is discovered more than 12 months after it was committed, the percentages contained in the undernoted first amount payable clauses are increased as follows:

First amount Payable clause	First amount payable increased to percentage shown below if losses discovered more than 12 months after been committed
Compulsory Paragraph (a) Paragraph (b) Computer Losses	 From 2% to 4% From 10% to 12.5% From 20% to 25%

Notwithstanding the above, the Insured may opt to claim only for that part of the loss which was discovered in a lesser period, in which case the first amount payable applicable for that period will apply;

- the First Amount Payable clause for losses discovered more than 12 months after they were committed is deleted.

15. Memoranda

- In the event of the discovery of any loss resulting from a Defined Event, the Insured may, notwithstanding anything to the contrary contained in paragraph (ii) of General Condition 6, refrain from reporting the matter to the police, but shall do so immediately should the Company require such action to be taken.
- It is understood and agreed that knowledge by the person signing any proposal form or giving renewal or other instructions in respect of his/her own fraud or dishonesty or that of others with whom s/he is in collusion shall not prejudice any claim under this Section.
- General Exceptions 1 and 2 and General Condition 9 do not apply to this Section.
- If the sum insured shall be increased at any time, such increased amount shall apply only to acts of fraud or dishonesty committed after the date of such increase.

GOODS IN TRANSIT SECTION

Defined Events

Loss of or damage (hereinafter in this Section termed Damage) to the whole or part of the property described in the Schedule, owned by the Insured or for which they are responsible, in the course of transit by the means of conveyance or other means incidental thereto and caused by any accident or misfortune not otherwise excluded, provided that:

- (i) the Insured shall be responsible for the first amount payable stated in the Schedule in respect of each and every Defined Event other than a claim arising from Fire, Lightning or Explosion;
- (ii) the liability of the Company for all Damage arising from any one Defined Event shall not exceed the limit of indemnity stated in the Schedule.

Memoranda

1. Transit shall be deemed to commence from the time of moving the property described in the Schedule at the consignor's premises (including carrying to any conveyance and loading thereon), continue with transportation to the consignee (including temporary storage not exceeding 96 hours in the course of the journey) and end when off-loaded and delivered at any building or place of storage at the consignee's premises.
2. If any consignee shall refuse to accept property consigned by the Insured, transit shall be deemed to continue and the insurance in respect of such property shall continue in force until the property is delivered at the premises of the consignor by any means of conveyance, provided that the Insured shall take all reasonable steps to ensure that the property is returned as soon as is reasonably possible.
3. Where the means of conveyance is by specified vehicle, the insurance under this Section shall apply to property on any vehicle temporarily used in place thereof while a specified vehicle is undergoing repair or servicing, which replacement vehicle is not the property of the Insured or leased or hired by them under a lease or suspensive sale agreement.
4. In the event of a breakdown of the means of conveyance during transit or if, for any reason beyond the Insured's control, the property is endangered, nothing contained herein shall debar the utilisation of any other form of transport to assist completion of the transit and the insurance afforded shall not be affected thereby.

Specific Exceptions

The Company shall not be liable for:

1. Damage resulting from or caused by:
 - (a) theft from any unattended vehicle in the custody or control of the Insured, or any partner in or of or director or employee of the Insured, unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to such locked vehicle or building is accompanied by forcible and violent entry or exit;
 - (b) inherent vice or defect, vermin, insects, damp mildew or rust;
 - (c) the dishonesty of any principal, partner, director or employee of the Insured, whether acting alone or in collusion with others;
 - (d) detention, confiscation or requisition by customs or other officials or authorities;
 - (e) or arising while in transit by sea or inland transit incidental thereto;
 - (f) breakdown of refrigeration equipment;
2. 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;
3. mechanical, electrical or electronic breakdown, failure, breakage or derangement of the insured property unless following an accident or misfortune not otherwise excluded;
4. Damage to:
 - (a) cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind;
 - (b) property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
 - (c) property which would, but for the existence of this insurance, be insured by any other insurance except in respect of any excess beyond the amount which would otherwise have been payable under such other insurance;
5. consequential loss of any kind, delay, loss of market, depreciation or changes brought about by natural causes;
6. Damage caused by chipping, denting, scratching or mechanical, electrical and/or electronic derangement.

Restricted Cover

Fire, Explosion, Collision, Derailment and Overturning Limitation

(If stated in the Schedule to be applicable)

The insurance under this Section is limited to loss or damage resulting from Fire or Explosion or the Collision, Overturning or Derailment of the means of conveyance described in the Schedule.

Fire, Explosion, Collision, Derailment, Overturning and Resultant Theft Limitation

(If stated in the Schedule to be included)

The insurance under this Section is limited to loss or damage resulting from Fire or Explosion, or the Collision, Derailment or Overturning of the means of conveyance described in the Schedule, and Theft resulting therefrom.

Specific Extensions

1. Fire Extinguishing Charges

If the property described in the schedule is lost or damaged by Fire whilst in course of a transit insured by this Section, the Company will, in addition to indemnifying the Insured for such Damage, pay for the cost of extinguishing or attempting to extinguish such Fire, provided that the maximum amount payable under this Extension shall not exceed the greater of R5,000 and the limit of indemnity shown in the Schedule for this Extension.

2. Riot and Strike

(If stated in the Schedule to be included)

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

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

provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exceptions 1(A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

3. Debris Removal

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following Damage to the means of conveyance or to the property thereon, subject to a limit of R5,000 or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

General Warranty

Unless otherwise stated in the Schedule, cover is given only for goods transported in the Insured's own vehicles or vehicles of the Insured's employees and driven by drivers who are in the Insured's employment or under their supervision.

Agricultural Extensions

Loss of or damage to the whole or part of the insured property which includes livestock, pedigreed animals, game, containers and/or covers in which the cargo is packed, the property of the Insured whilst in transit in or on any means of conveyance caused by any of the insured perils.

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

Defined Events

1. All Risks Cover

(If stated in the Schedule to be included)

The insurance under this section is limited to loss or death of the insured animal by any accident not specifically excluded, whilst been transported within the territorial limits, by the means of conveyance described in the schedule,

provided that:

- (a) the death occurs within 3 days of such accident;
- (b) the accident occurred during the course of the transport;
- (c) the insured shall be responsible for the first amount payable stated in the schedule in respect of this defined event;
- (d) the liability of the insurer for all loss or damage arising from any one defined event shall not exceed the limit of indemnity stated in the schedule.

2. Fire, Explosion, Collision, Derailment, Overturning and Theft Following Limitation

(If stated in the Schedule to be included)

The insurance under this section is limited to death of the insured animal resulting from fire or explosion or collision or the overturning or derailment or theft following of the means of conveyance described in the schedule,

provided that:

- (a) the death occurs within 3 days of such accident;
- (b) the accident occurred during the course of the transport;
- (c) the insured shall be responsible for the first amount payable stated in the schedule in respect of this defined event;
- (d) the liability of the insurer for all loss or damage arising from any one defined event shall not exceed the limit of indemnity stated in the schedule.

3. Fire, Explosion, Collision, Derailment and Overturning Limitation

(If stated in the Schedule to be included)

The insurance under this section is limited to death of the insured animal resulting from fire or explosion or collision or the overturning or derailment of the means of conveyance described in the schedule,

provided that:

- (a) the death occurs within 3 days of such accident;
- (b) the accident occurred during the course of the transport;
- (c) the insured shall be responsible for the first amount payable stated in the schedule in respect of this defined event;
- (d) the liability of the insurer for all loss or damage arising from any one defined event shall not exceed the limit of indemnity stated in the schedule.

Whichever is stated in the schedule to apply.

Specific Exceptions

The insurer will not pay for:

1. claims for death or loss of the insured animal as a result of:
 - (i) fire, lightning or explosion unless during the actual course of transit;
 - (ii) inoculation, castration, docking or surgical operation or parturition or its consequences or pregnancy;
 - (iii) jumping;
 - (iv) straying.
2. death of the insured animal if under the age of 3 months;
3. destruction in compliance with the requirements of any statute or any order of a government department or any local authority;
4. unfitness for or incapacity to fulfill the functions or duties for which the animal is kept;
5. any accident sustained during transit by air or by sea;
6. intentional slaughter whether by or under the order of any government or public or local authority or any person having jurisdiction in the matter except:
 - (i) if the insurer has expressly and in writing agreed to the destruction of the animal;
 - (ii) in the case of injuries that necessitates immediate slaughter for humane reasons and where a qualified veterinary surgeon appointed by the insured certifies in writing that the suffering is incurable and of such an extent that slaughter is unavoidable, provided that if the insurer chooses to have a post mortem examination carried out by a qualified veterinary surgeon appointed by the insurer at the insurer's expense, the insurer may do so;

7. death caused directly or indirectly by:
 - (i) any surgical operations unless conducted by a qualified veterinary surgeon and certified by him to have been necessary due solely to an accident, disease or illness and that such surgical operation is carried out in an attempt to preserve the animal's life;
 - (ii) the administration of any medication unless by a qualified veterinary surgeon or an experienced person directed by him. The qualified veterinary surgeon must have certified that such medication was administered as a prophylactic or had been necessary due to an accident, disease or illness. For the purpose of this general exception the term medication shall include any drug, hormone, vitamin, protein or any other substance other than unadulterated food or drink;
 - (iii) death due to starvation or malnutrition;
 - (iv) trampling or suffocation due to overloading of any vehicle which is being used to transport the insured animal;
8. liability to any third party;
9. consequential loss however arising, delay, loss of market, depreciation or changes brought about by natural causes.

Specific Conditions

1. The insured shall at all times exercise all reasonable care and safeguard the insured animals against loss or danger of loss, accident or illness and shall comply with all reasonable regulations and directions given by the insurer or by a qualified veterinary surgeon employed by the insurer.
2. The insured will immediately notify the insurer of any accident to or loss of any animal insured by this section and shall at the insured's expense immediately provide for adequate attendance and treatment.
3. The insured undertakes to comply with all laws rules and regulations relating to the transportation of animals.
4. In the event of an occurrence which gives rise to a claim or which may give rise to a claim the insured shall give the insurer immediate notice of such event:
 - (a) the insured shall at his own expense, within 14 days after such event, supply the insurer with a completed claim form together with all other information as we may require including any qualified veterinary surgeon's certificates, photos and satisfactory proof of the death, identity and value of the animal;
 - (b) if the insurer alleges that the death of the animal is from an excluded cause, the burden of proving the contrary shall rest with the insured;
 - (c) if the insurer admits the claim, the insured may dispose of the carcass to best advantage and the amount realised on disposal of the carcass shall be offset against the amount of the claim;
5. It is warranted that at the commencement of this insurance each animal insured is in sound health and is free from any ailment, illness, disease, lameness, injury or disability.

BUSINESS ALL RISKS SECTION

Defined Events

Loss of or damage (hereinafter in this Section termed Damage) to the whole or part of the property described in the Schedule while anywhere in the world by any accident or misfortune not otherwise excluded,

provided that the Insured shall be responsible for the first amount payable stated in the Schedule in respect of each and every event other than a claim arising from Fire, Lightning or Explosion.

Specific Exceptions

The Company shall not be liable for:

1. Damage to property resulting from or caused by:
 - (a) theft from any unattended vehicle in the custody or control of the insured or of any principal, partner, director or employee of the Insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to such locked vehicle or building is accompanied by forcible and violent entry or exit;
 - (b) it undergoing a process of cleaning, repairing, dyeing, bleaching, altering or restoration;
 - (c) inherent vice or defect, vermin, insects, damp, mildew or rust;
 - (d) the dishonesty of any principal, partner, director or employee of the Insured, whether acting alone or in collusion with others;
 - (e) detention, confiscation or requisition by customs or other officials or authorities;
2. wear and tear or gradual deterioration (including the gradual action of light or atmospheric conditions) unless following accident or misfortune not otherwise excluded;
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded;
4. Damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind;
5. Damage to goods consigned under a bill of lading.

Specific Conditions

1. Average

If the total value of property insured which is not separately and individually specified is, at the time of the happening of any Damage to such property, of greater value than the sum insured thereon, the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

Each item of the schedule covering such property shall be separately subject to this Condition.

2. Replacement Value Condition

The basis upon which the amount payable is to be calculated shall be either the replacement of the property by similar property in a condition equal to but not better nor more extensive than its condition when new;

or

the repair of the property to a condition substantially the same as but not better than its condition when new, provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the property had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the time of the damage, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

3. Pairs and Sets Clause

Where the insured property consists of articles of a pair or set, the Company shall not be liable for more than the value of any particular part or parts which may be lost or damaged nor for more than the proportionate part of the pair or set, without reference to any special value which such article or articles may have as part of such pair or set.

4. Liquid Nitrogen Insemination Flasks

In respect of liquid nitrogen insemination flasks and contents specifically insured under this Section, the Company shall be liable for loss of or damage to containers and contents arising from breakdown of flasks due to loss of vacuum,

provided that:

the Insured furnish a warranty that the insemination flasks are annually reviewed by the suppliers.

Specific Extensions

1. Increase in Cost of Working

The insurance under this item is limited to expenditure not otherwise recoverable under this Section, necessarily and reasonably incurred as a result of Damage to property for which payment is made or liability therefor is admitted under this Section, for the purpose of maintaining the normal operation of the business,

provided that the liability of the Company in respect of any one loss shall not exceed R10,000.

2. Riot and Strike

(If stated in the Schedule to be included)

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

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

provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exceptions 1(A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

3. Non-forcible and violent entry into vehicle extension

(If stated in the Schedule to be included)

Specific exception 1 (a) shall not apply to goods in the cab or boot of the vehicle where the insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that;

1. the police case number is supplied to the Company;
2. this extension shall only apply to property that is separately and individually specified in the schedule;
3. the liability of the company is restricted to R10,000 less the first amount payable as stated in the schedule in respect of any one event.

ACCIDENTAL DAMAGE SECTION

Defined Events (i)

Accidental physical loss of or damage (hereinafter in this Section termed Damage) to the insured property at or about the premises, not otherwise Insured or for which insurance is available and described (whether incorporated in this policy or not) in terms of any Section (other than Business All Risks) listed in the index of this policy.

The amount payable for all Damage arising out of one original cause or source shall not exceed the sum stated and,

notwithstanding General Condition 2, this Section shall not be called into contribution for any Defined Event for which more specific insurance has been arranged.

Specific Exceptions

The Company shall not be liable for:

- (a) any peril excluded or circumstance precluded from any other insurance available from the Company at inception hereof or for any excess payable by the Insured under such insurance, or for any reduction of amount payable under any claim due to the application of average;
- (b) more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection;
- (c) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process;
- (d) unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information;
- (e) Damage to insured property caused by:
 - (i) any fraudulent scheme, trick, device or false pretence practised on the insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the Insured;
 - (ii) overheating, implosion, cracking, fracturing, welds failure, nipple leakage or other failure. This Exception applies only to vessels, pipes, tubes or similar apparatus;
 - (iii) breakdown, electrical, electronic and/or mechanical derangement;

- (iv) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
- (v) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;
- (vi) denting, chipping, scratching or cracking not affecting the operation of the item;
- (vii) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light;
- (f) settlement or bedding down, ground heave, collapse or cracking of structures or the removal or weakening of support to any insured property;
- (g) (i) Damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container;
- (ii) Damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
- (h) failure of and/or the deliberate withholding and/or lack of supply of water, steam, gas, electricity, fuel or refrigerant;
- (i) collapse of plant or machinery, buildings or structures (other than shelving or storage platforms).

Definition

Insured Property

Any tangible property belonging to the Insured or held by them in trust or on commission for which they are responsible other than:

- (a) current coin (including Krugerrands and similar coins), bank and currency notes, travellers' and other cheques, money and postal orders, current unused postage, revenue and holiday pay stamps, credit card vouchers, and other certificates, documents or instruments of a negotiable nature;
- (b) furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art;
- (c) property in transit by air, inland waterway or sea;
- (d) railway locomotives, rolling stock and other railway property, aircraft, watercraft, mechanically or electrically propelled vehicles, motor cycles, mobile plant, caravans and trailers;
- (e) standing or felled trees, crops, animals, land (including topsoil, backfill, drainage and culverts), driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines (external to the premises), tunnels, cables (external to the premises), cableways, bridges, docks, jetties, wharves, piers, excavations, property below the ground or explosives;
- (f) electronic data processing equipment and external data media (punch cards, tape discs and the like) and the information they contain;
- (g) property in the course of construction, erection or dismantling including materials or supplies related thereto;
- (h) property in the possession of customers under lease, rental, credit or suspensive sale agreement;
- (i) glass, china, earthenware, marble and other fragile or brittle objects

unless stated in the Schedule to be insured.

Defined Events (ii)

(If stated in the Schedule to be included)

Accidental physical loss of or damage to the insured property caused by discharge or leakage from tanks, pipes or apparatus, of chemicals, oils, liquids, fluids, gases or fumes (including loss of such chemicals, oils, liquids, fluids, gases or fumes) other than loss or damage resulting from wear and tear, or other gradually operating causes, of the tanks, pipes or apparatus.

Clauses and Extensions

1. Restricted Cover

The insurance in respect of documents, manuscripts, business books, plans, designs, patterns, models, moulds and computer system records is limited to the value of the materials and the cost of labour for recreating such materials, and excludes any expenses in connection with the production of any information contained therein or the value of such information to the Insured.

2. Additional Costs

In respect of buildings, plant and machinery insured, the sums insured include:

- (a) any costs incurred, due to the necessity to comply with building or other regulations of any public authority, in repair or reinstatement following an insured event, provided that such costs do not include:
 - (i) anything for which notice had been served on the Insured prior to the insured event;
 - (ii) anything connected with undamaged property or undamaged portions of property;
 - (iii) rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the insured property;
- (b) fees for the examination of municipal or other plans;
- (c) costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding;
- (d) the professional fees of architects, quantity surveyors and other consultants;

and the sum insured on all insured property includes:

- (e) charges levied by any authorised fire brigade for their services;

but the Company shall not be liable under (a) (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay or under (d) for any expenses in connection with the preparation of the Insured's claim.

Furthermore, the Company shall not be liable under (c) for any costs or expenses:

- (i) incurred in removing debris, except from the site of such property destroyed or damaged and the area immediately adjacent to such site;
- (ii) arising from pollution or contamination of property not insured by this policy/Section.

3. Mortgagees

From the date of notification, the Company accepts the interest of a mortgagee or others with an insurable interest in the insured property and will not prejudice such interest due to the act or omission of the mortgagor without the mortgagee's knowledge, provided that the mortgagee advises the Company as soon as such act or omission comes to its knowledge and agrees to be responsible for any additional premium resulting from the Company assuming any increased risk.

4. Government and Other Authorities Agreements

The Insured shall not be prejudiced by signing any agreement with any entity such as Transnet, any government or quasi-government department, provincial administration, municipality and/or similar body covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature.

5. Tenants

The Insured shall not be prejudiced by the act of any tenant in premises they own or in which they are a co-tenant or of the owner of any premises of which they are a tenant, provided that the Company is notified as soon as they become aware of such act and they pay any additional premium resulting from the Company assuming any additional risk.

Memoranda

1. Average

(If stated in the Schedule to be included)

If, on the occurrence of any Damage, the value of the insured property is greater than the sum insured thereon, the Insured shall be considered their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

Each item, if more than one, shall be separately subject to this memorandum.

2. Excluded Property

(If stated in the Schedule to be included)

The property listed in the Schedule is added to the excluded property in the Definition of insured property.

3. Reinstatement

(If stated in the Schedule to be included)

The basis upon which the amount payable is to be calculated following Damage to buildings, plant and machinery shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than such insured property when new, provided that:

- (a) the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to the requirements of the Insured, subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment beyond the amount that would have been payable if this Memorandum had not been incorporated in this Section shall be made;
- (b) the Company shall not be liable for any payment beyond the amount that would have been payable if this Memorandum had not been incorporated in this Section, until expenditure has been incurred by the Insured in replacing or reinstating the damaged property;

- (c) if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon on the occurrence of any Damage, the Insured shall be considered their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

Each item, if more than one, to which this Memorandum applies shall be separately subject to this provision;

- (d) this Memorandum shall not apply if:

- (i) the Insured fail to intimate to the Company within 6 months of the insured event or such further time as the Company may allow in writing, their intention to replace or reinstate the damaged insured property;
- (ii) the Insured are unable or unwilling to replace or reinstate the damaged property on the same or another site.

4. First Loss Average

(If stated in the Schedule to be included)

If, at the time of any Damage arising, the total value of the property described by each item does not exceed the sums stated in the Schedule, then this insurance shall be declared free of average, but if the total value of such property shall be greater than the aforementioned sums, the Insured shall be considered as being their own insurer for the difference and the Company shall be liable only for such proportion of the first loss sum insured as the aforementioned sums shall bear to the total value, not exceeding in all the total sum insured by each item.

PUBLIC LIABILITY SECTION (CLAIMS MADE BASIS)

Indemnity Clause

The Company will indemnify the insured in respect of damages which the Insured shall become legally liable to pay consequent upon a Defined Event which results in a claim first being made against the Insured in writing during the period of insurance.

Defined Events

Injury or Damage as defined herein which occurred in the course of or in connection with the business within the territorial limits and on or after the retroactive date shown in the Schedule.

The Limits of Indemnity

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

In the event of any one originating cause giving rise to a claim or series of claims which form the subject of indemnity by more than one Extension of this Section, each Extension shall apply separately and be subject to its own separate Limit of Indemnity, provided always that the total amount of the Company's liability shall be limited to the highest Limit of Indemnity available under any one of the Extensions affording indemnity for the claim or series of claims.

If, following renewal or replacement of this policy, more than one period of insurance may apply to an originating cause or source, the Company's liability will be limited to the maximum limit of indemnity applying to the latter period of insurance.

Territorial Limits

Anywhere in the world but not in connection with;

(i) any business carried on by the Insured at or from premises;

OR

(ii) any contract for the performance of work,

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

Definitions

Damage

means loss of or physical damage to tangible property or wrongful interference with the enjoyment of rights over tangible property.

Employee

means any person employed under a contract of service or apprenticeship with the Insured.

Injury

means death, bodily injury, mental injury, illness (mental or physical) or disease of or to any person.

Legal costs

means costs, charges and expenses incurred by the Company or by the Insured with the Company's prior consent;

- * in the defence or settlement of any claim under this policy or any action or prosecution brought against the Insured in respect of Injury or Damage or other liability as insured in terms of this Section of the policy;
- * in the representation at any inquest or accident inquiry in respect of Injury which may form the subject of indemnity under this Section of the policy and/or in defending any proceedings in a court of summary jurisdiction in respect of matters which may form the subject of indemnity by this Section of the policy.

Pollution

means the emission, discharge, release, dispersal, disposal, seepage or escape of solid, liquid, gaseous or thermal contaminants or irritants, including vapours, smell, odours, humidity, fumes, smoke, soot or other airborne particulates, acids, alkalis, chemicals and waste, electromagnetic waves, noise, vibrations, other emission of effluent or noxious substances into or upon the soil, the atmosphere or any watercourse or body of water.

Product

means any tangible property (including containers and labels) after it has left the custody or control of the Insured, which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured.

Specific Exceptions

The Company will not indemnify the Insured in respect of:

1. liability consequent upon Injury to any person employed by the Insured, under a contract of service or apprenticeship and arising from and in the course of such employment by the Insured;
2. Damage to:
 - (a) (i) property belonging to the Insured;
 - (ii) property in the custody or control of the Insured or any employee of the Insured but this Exception shall not apply to premises or the contents thereof, temporarily occupied by the Insured for work therein;
 - (b) that part of any property on which the Insured are or have been working if such damage results directly from such work;
3. liability consequent upon Injury or Damage:
 - (a) caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the Insured;
 - (b) caused by or through or in connection with the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian-controlled garden equipment) or trailer or of any watercraft (other than non-motorized watercraft not exceeding 5 metres in length and used on inland waterways only), locomotive or rolling stock, provided that this exception shall

not relieve the Company of liability to indemnify the Insured in respect of liability consequent upon Injury or Damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the loading or unloading of any vehicle, insofar as such Injury or Damage is not insured by any other insurance policy;

(c) caused by or through or in connection with:

(i) the refuelling or defueling of aircraft;

(ii) the ownership, possession, maintenance, operation or use of aircraft or an airline;

(iii) the ownership, hire or leasing of any airport or airstrip or helicopter pad;

(d) caused by or through or in connection with any product other than food and drink provided for consumption on the premises of the Insured;

4. Damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;

5. (a) liability in respect of Injury, Damage or loss of use of property directly or indirectly caused by pollution, provided always that this Exception shall not apply where such pollution is caused by a sudden, unintended and unforeseen occurrence;

(b) the cost of removing, nullifying or cleaning up substances resulting from pollution unless the pollution is caused by a sudden, unintended and unforeseen occurrence.

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

6. fines, penalties, punitive, exemplary or vindictive damages;

7. damages in respect of any judgement, award or settlement made within the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part). For the purposes of this Specific Exception, "Damages" shall be deemed to include costs and expenses of litigation recovered by any claimant from the Insured;

8. any claim arising from an event known to the Insured:

(a) which is not reported to the Company in terms of General Condition 6;

(b) prior to inception of this Section;

9. liability consequent upon injury or damage directly or indirectly caused by or in connection with or arising from or attributable to;

(a) explosives or the explosion of a boiler;

(b) fire and/or explosion resulting in spread of fire to neighbouring premises;

(c) flood including the bursting of a dam wall;

(d) the ownership, possession or use by or on behalf of the Insured of any animal;

(e) the participation in commercial hunting and/or game viewing activities.

10. attachment or the diverting of water by the insured or any person acting on behalf of the insured;

11. damage to any type of plantations (sugar cane, timber plantations, forests and the like) by spread of fire;

12. liability consequent upon Injury or Damage arising out of the deliberate, conscious and intentional disregard by the Insured's management of the need to take reasonable precautions to prevent any event or circumstance which may give rise to a claim;

13. any claim or claims, whether actual or alleged, howsoever arising in connection with or based upon or arising from or in actual or alleged unlawful competition, unfair practices, abuse of monopoly, power, cartel activities or as may otherwise arise from or be based upon or relate to any breach of a provision of the Competition Act No 89 of 1998 (as amended) or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the Insured's liability arose.
14. Liability assumed by agreement (other than under the Insured's own standard conditions of contract) unless liability would have attached to the insured notwithstanding such agreement.

First Amount Payable

The Insured shall be responsible for the first amount payable as stated in the Schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause.

The provisions of this Clause shall apply to claims arising from Damage and Injury and shall apply to costs and expenses incurred by the Insured.

Memorandum

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

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

2. Definitions:

For the purposes of this Section, "Commercial Hunting and/or Game Viewing Activities" shall mean: the participation in commercial hunting and/or game viewing activities by clients, hunters and/or game viewers making use of any such facilities on the premises the property of or under the control of the Insured.

Specific Conditions

1. Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General Condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Company.
2. In the event of cancellation or non-renewal of this policy, or of this Section:
 - (a) any claim resulting from a reported event, first made in writing against the Insured during the 48 months immediately following cancellation or non-renewal, shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant;
 - (b) the Insured may report an event in terms of General Condition 6 to the Company for up to 30 days after cancellation or non-renewal,

provided that:
 - (i) such event occurred during the period of insurance;
 - (ii) any subsequent claim, resulting from a reported event, first made in writing against the Insured during the 48 months immediately following cancellation or non-renewal shall be treated as having been made against the Insured on the last day preceding cancellation or non-renewal.

3. Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one originating cause or source shall be treated as if they all had first been made against the Insured:
 - (a) on the date that the event was reported by the Insured in terms of General condition 6; or
 - (b) if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.
4. When the facts do not speak for themselves and the Company and the Insured cannot mutually agree when the Injury or Damage occurred, then, for the purposes of determining the indemnity granted:
 - (a) the Injury shall be deemed to have occurred when the claimant first consulted a qualified practitioner regarding such Injury, whether or not it was correctly diagnosed at the time. If no such consultation took place, then the Injury shall be deemed to have occurred when the Insured was first advised of the Injury;
 - (b) the Damage shall be deemed to have occurred when it first became evident to the claimant, even if the cause was unknown.

Extensions

1. Extended Reporting Option

(If stated in the Schedule to be included)

At the option of the Insured and subject to payment of an additional premium to be determined, and subject to all the terms, exceptions and conditions of this Section, the Company agrees to extend the period during which the Insured may report an event in terms of General Condition 6 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as the extended reporting period),

provided that:

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

2. Additional Insured

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

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

provided that:

- (1) the aggregate liability of the Company is not increased beyond the Limits of Indemnity stated in the Schedule;
- (2) any person or organisation to which this Extension applies is not entitled to indemnity under any other policy;
- (3) the indemnity under (a), (b) and (c) applies only in respect of liability for which the Insured would have been entitled to indemnity if the claim had been made against the Insured.

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

3. Cross Liabilities

Where more than one Insured is named in the schedule, the Company will indemnify each Insured separately and not jointly, and any liability arising between such Insured's shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the limit of indemnity stated in the Schedule.

4. Tool of Trade

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

5. Employees' and Visitors' Property

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

6. Government and Other Authorities Agreements

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

- (a) assumed by the Insured under any contract entered into with or indemnity given to any entity such as Transnet, any government or quasi-government department, provincial administration, municipality and/or similar body covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature;

- (b) arising from Damage to property belonging to such entity while in the Insured's custody or control;
- (c) caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to such entity while being used by or on behalf of the Insured at any railway siding.

7. Unattached Trailers

Specific Exception 3(b) shall, as far as it relates to trailers, not apply in respect of any trailer not attached to and not having become unintentionally detached from any mechanically propelled vehicle, provided that the Company shall not be liable hereunder in respect of so much of any liability:

- (i) which is insured by or would, but for the existence of this Section, be insured by any other policy or policies effected by the Insured;
- (ii) as falls within the scope of any compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected.

8. Emergency Medical Expenses

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

9. Car Parks

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

10. Tenant's Liability

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

11. Products Liability

(If stated in the Schedule to be included)

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

The amount payable under this Extension, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one originating cause or source or during any one (annual) period of insurance or if a monthly policy, any one period of 12 consecutive months from inception or anniversary date of this insurance, shall not exceed in the aggregate the limit of indemnity for this Extension stated in the Schedule.

Additional Specific Exceptions (applicable to the Products Liability Extension)

This Extension does not cover liability:

- (i) for the cost of repair, alteration, recall, reconditioning or replacement of the product or part thereof (including containers and labels) causing Injury or Damage and/or the loss of use of any product or part thereof. For the purposes of this additional Specific Exception, the term "replacement" shall be deemed to include any credit or refund granted or alternative product provided by or on behalf of the Insured in lieu of replacement of the defective product;
- (ii) for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the product and

- any other property essential to such repair, alteration or replacement unless physically damaged by the product;
- (iii) arising from failure of any product or any part thereof to fulfil its intended function or to perform as specified, warranted or guaranteed, but this Exception shall not apply to consequent Injury or Damage;
 - (iv) arising from products intended to be installed in, installed in, or intended to form part of or forming part of, an aircraft;
 - (v) in respect of Injury or Damage happening in the United States of America or Canada caused by or through or in connection with any products sold or supplied by or to the order of the Insured, if such products have, to the Insured's knowledge, been exported to the United States of America or Canada by or on behalf of the Insured;
 - (vi) for any defect in any product or any part thereof of which the Insured was aware prior to the inception of this Extension.

12. Statutory Legal Defence Costs

If the Insured so request, the Company will indemnify any employee, partner or director of the Insured against costs and Expenses, not exceeding the amount stated in the Schedule, incurred by or on behalf of the Insured or any employee, partner or director of the Insured with the consent of the Company, in the defence of any prosecution of the Insured or any employee, partner or director of the Insured, arising from an alleged contravention of any statute in the course of the business during the period of insurance,

provided that:

- (i) in the case of an appeal, the Company shall not indemnify such person unless a Senior Counsel approved by the Company shall advise that such appeal should, in his/her opinion, succeed;
- (ii) the Company shall not indemnify such person in respect of any fine or penalty imposed or any loss consequent thereon;
- (iii) such person shall, as though he/she were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this policy and this Section thereof in so far as they can apply;
- (iv) if the prosecution arises from or in connection with any product, the Company will only indemnify the Insured or any employee, partner or director of the Insured if the Products Liability Extension is stated in the Schedule to be included;
- (v) the limit of indemnity under this Extension shall not exceed R250,000 per event or R250,000 in any one annual period of insurance of if a monthly policy, any one period of 12 consecutive months from inception or anniversary date of this insurance, less, in respect of any one event, a first amount payable of R2,500 or the amount stated in the Schedule, whichever is the greater.

13. Wrongful Arrest and Defamation

The Defined Events are extended to include damages:

- (i) resulting from wrongful arrest (including assault in connection with such wrongful arrest);
- (ii) in respect of defamatory statements whether written or verbal,

provided always that the Company's liability shall not exceed R50,000 per event or R250,000 in any one annual period of insurance or if a monthly policy, any one period of 12 consecutive months from inception or anniversary date of this insurance, less a first amount payable of R2,500 or the amount stated in the Schedule, whichever is the greater.

14. Gratuitous Advice

Notwithstanding anything to the contrary contained in Specific Exception 3(a), the Company will indemnify the Insured in respect of the Defined Events caused by the unintentional failure of the Insured to perform the legal duty to exercise due care owed to another person or party in providing technical information or advice to such person or party,

provided that this Section does not cover liability arising out of:

- (i) the insolvency of the Insured;
- (i) financial services and/or cost estimates provided by or on behalf of the Insured;
- (iii) defamation;
- (iv) design, formula, supervision, treatment or advice given by or on behalf of the Insured in exchange for a fee;
- (v) technical information or advice given in connection with a product, unless the Products Liability Extension is stated in the Schedule to be included.

If, at the time of any event giving rise to a claim under this Extension, indemnity is also provided under any other Insurance, this Extension shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by such other insurance.

15. Acquisitions and New Business

The indemnity granted by this Section extends to any company formed and/or acquired by the Insured during the period of Insurance for a period of 90 days from such formation and/or acquisition,

provided always that:

- (i) the Retroactive date in respect of such new company shall be deemed to be the date when a newly-formed and/or acquired company first purchased liability insurance of the type hereby insured on a "Claims Made" basis, subject to a declaration from the newly-acquired company's previous management of no known or reported claims or circumstances likely to give rise to a claim at the date of acquisition. In the event of no such declaration, the Retroactive date shall be the date of such acquisition;
- (ii) the Insured's business activities remain unchanged;
- (iii) the annual turnover of all newly-formed and/or acquired companies does not exceed 5% of the estimated annual turnover of the Insured as advised to the Company at inception hereof;
- (iv) the Insured shall advise the Company of such formations and/or acquisitions before the expiry of 90 days thereof and the Company may amend the terms of this Section of the policy accordingly.

16. Spreading of Fire

Specific exception 9(b) is deleted, provided that our liability inclusive of legal costs recovered by a claimant and other costs and expenses incurred with our written consent arising from the spread of fire shall not exceed R250,000 or the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this Section) for any one event or series of events with one original cause or source, the sum stated in the Schedule,

provided that:

- (i) prior to any liability being admitted by us, the client must comply with the conditions and the regulations of the Veld and Forrest Fire Act No. 101 of 1998, or any amendment thereto, and any other regulations relating to the spread of fire to adjoining properties;
- (ii) This extension does not cover damage to plantations, forest or sugar cane;
- (iii) The insured shall be liable for the first amount payable of 10% of claim with a minimum of R5,000 or the amount stated in the schedule, whichever is the greater.

17. Spreading of Fire to Plantations, Forests and Sugar Cane

(If stated in the Schedule to be included)

In consideration of the payment of an additional premium, Specific exception 11 of this Section is cancelled and includes the legal liability for loss or damage to adjoining plantations, forests and sugar cane fields caused by spread of fire or explosion,

provided that:

- (i) prior to any liability being admitted by us, the client must comply with the conditions and the regulations of the National Forests Act, 1998 (Act No 84 of 1998) and the National Veldt and Forest Act, 1998 (Act No 101 of 1998) as amended by the National Forest and Fire Laws Amendment Act, 2001 (Act No 12 of 2001) or any other lawful amendments hereto that shall be promulgated by the authority within the territorial limits and the insured shall also take all reasonable steps to prevent any fire on this premises from spreading to third party property;
- (ii) costs and expenses incurred with our written consent arising from the spread of fire shall not exceed the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this Section) for any one event or series of events with one original cause or source, the sum stated in the Schedule;
- (iii) the insured shall be liable for the first amount payable of 10% of claim with a minimum of R5,000 or the amount stated in the schedule, whichever is the greater.

18. Fire Extinguishing Charges

This section is extended to include all costs necessarily incurred with fire extinguishing methods including water bombing activities to prevent spreading of fire from the insured to any third party property, provided that;

- (i) such third party property was in danger as a result of such fire,
- (ii) cover in terms of this extension will only be applicable if either extension, Spread of Fire or Spread of Fire to Plantations, Forests and Sugar Cane is in force,
- (iii) the Company's liability shall not exceed the amount of R50,000 for any one event or series of events with one original cause or source or the amount stated in the schedule,
- (iv) the Company shall not be liable for the first amount payable of 10% of the claim, min R2,500 of each and every claim or the amount stated in the schedule.

19. Droving and Escaping of Animals and Stray Animals

Special exception 9 (d) is deleted provided that the company's liability inclusive of legal costs recoverable by a claimant and other costs and expenses incurred with our written consent arising from the driving of livestock and/or game on a public thoroughfare shall not exceed R250,000 or the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this Section) for any one event,

provided that the company shall not be liable:

- (i) unless the insured takes all reasonable precautions to prevent damage and complies with all provincial and other ordinances with regard to the driving of livestock and/or game on a public thoroughfare;
- (ii) for any accidental death of or injury to any livestock and/or game belonging to the insured or in your custody or control of that of any of your employees;
- (iii) unless all gates and fences and paddocks directly alongside public roads are kept in a good condition and that all gates having access to public roads are properly closed and locked at all times;

- (iv) the insured shall be liable for the first amount payable of 10% of claim with a minimum of R2,500 or the amount stated in the schedule whichever is the greater.

20. Animals not Belonging to The Insured

Notwithstanding anything contained to the contrary in Specific exception 2(a) (ii) and 9(d) this Section includes legal liability arising from livestock/game not belonging to the insured whilst using your premises for the purpose of grazing,

provided that:

- (i) injury or damage to such livestock/game themselves is not covered,
- (ii) the company's liability inclusive of legal costs recoverable by a claimant and other costs and expenses incurred with our written consent arising shall not exceed R250,000 or the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this Section) for any one event,
- (iii) the insured shall be liable for the first amount payable of 10% of claim with a minimum of R2,500 or the amount stated in the schedule, whichever is the greater.

21. Livestock/Game at Shows and Auctions

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

provided that:

- (i) injury or damage to such livestock/game themselves is not covered,
- (ii) the company's liability inclusive of legal costs recoverable by a claimant and other costs and expenses incurred with our written consent arising shall not exceed R250,000 or the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this Section) for any one event,
- (iii) the insured shall be liable for the first amount payable of 10% of claim with a minimum of R2,500 or the amount stated in the schedule, whichever is the greater.

22. Cycles or Animal Drawn Vehicles

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

provided that:

- (i) injury or damage to such animal themselves is not covered,
- (ii) the company's liability inclusive of legal costs recoverable by a claimant and other costs and expenses incurred with our written consent arising shall not exceed R250,000 or the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this Section) for any one event,
- (iii) the insured shall be liable for the first amount payable of 10% of claim with a minimum of R2,500 or the amount stated in the schedule, whichever is the greater.

23. Crop Spraying

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

provided that:

- (i) the Company shall not indemnify the Insured for any liability that may arise out of aerial spraying of crops, plantations, farmlands or veld,
- (ii) the company's liability inclusive of legal costs recoverable by a claimant and other costs and expenses incurred with our written consent arising shall not exceed R250,000 or the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this Section) for any one event,
- (iii) the insured shall be liable for the first amount payable of 10% of claim with a minimum of R2,500 or the amount stated in the schedule whichever is the greater.

24. Work Away from Premises

The indemnity by this section is extended to include the Insured's legal liability arising from any premises at which the Insured is performing work,

provided that:

- (i) such premises are not under the control of the insured;
- (ii) the Company's liability inclusive of legal costs recoverable by a claimant and other costs and expenses incurred with our written consent arising shall not exceed R250,000 or the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this section) for any one event,
- (iii) the Insured shall be liable for the first 10% of claim with a minimum of R2,500 for each and every claim in terms of this extension or the amount stated in the schedule, whichever is the greater

25. Bursting and Overflowing of Dams

Specific Exception 9(c) of this Section is cancelled provided that;

- (i) the company's liability inclusive of legal costs recoverable by a claimant and other costs and expenses incurred with our written consent arising shall not exceed R250,000 or the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this Section) for any one event;
- (ii) the Insured shall be liable for the First Amount Payable of 10% of claim with a minimum of R2,500 or the amount stated in the Schedule whichever is the greater of each and every claim in terms of this Extension.

26. Guesthouse Liability

(If stated in the Schedule to be included)

Notwithstanding anything contained to the contrary under the Specific Exception 2(a) (ii) and 2(b), it is hereby declared and agreed that the indemnity extends to include all sums inclusive of any legal costs recoverable from the insured or any other cost and expenses incurred with the Company's consent for which the insured may become legally liable to pay in respect of loss or damage to property of any registered guest;

- (i) To guests property, the amount stated in the schedule,
- (ii) To guests vehicles, the amount stated in the schedule,
- (iii) To contents of guests vehicles, the amount stated in the schedule,

provided that:

The insured shall be liable for the first amount payable of 10% of claim with a minimum of R2,500 or the amount stated in the schedule whichever is the greater of each and every claim in terms of this extension.

27. Commercial Hunting and Game Viewing Activities

(If stated in the Schedule to be included)

Definition: For the purposes of this Section, Commercial Hunting and/or Game Viewing Activities shall mean the participation in commercial hunting and/or game viewing activities by clients, hunters and/or game viewers making use of any such facilities on the premises the property of or under the control of the Insured.

Notwithstanding anything contained to the contrary in Specific exception 3 (a) and in consideration of the payment of an additional premium, this Section includes legal liability arising from commercial hunting and/or game viewing activities by clients, hunters and/or game viewers making use of any such facilities on the premises the property of or under the control of the Insured,

provided that:

- (a) the company's liability inclusive of legal costs recoverable by a claimant and other costs and expenses incurred with our written consent arising shall not exceed the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this Section) for any one event,
- (b) the insured shall be liable for the first amount payable of 10% of claim with a minimum of R2,500 or the amount stated in the schedule whichever is the greater.

Specific Conditions;

- (i) no alcohol shall be consumed prior to (on the day of) or during any hunting activities, including any rest period during such activities;
- (ii) any visitor(s) participating in such hunting activities who are not permanent residents of the Republic of South Africa or Namibia must be accompanied by a Professional Hunter who is in possession of a valid professional hunters permit;
- (iii) any visitor(s) not described in (ii) above must be accompanied by the Insured or a guide or an employee of the Insured and the Insured shall ensure that any such person delegated to assist in any activities shall be qualified and competent to perform such functions;
- (iv) firing zones regarding the individual hunting group(s)/hunter(s)/client(s) must be clearly demarcated and explained to all participants as well as being allocated an area clearly indicating the relevant firing zones prior to the commencement of any hunting activity;
- (v) should the "shooting in" and adjustment to any firearm be required by a client, such activity must be conducted under the control of the Insured or a guide or an employee and the Insured shall ensure that such person delegated to assist in any activities shall be qualified and competent to perform such functions;
- (vi) all clients participating in any game viewing activities must, at all times be accompanied by either, the Insured or a guide or an employee of the Insured and the Insured shall ensure that any such person delegated to assist in any activities shall be qualified and competent to perform such functions;
- (vii) all requirements contained in any Act, Ordinance or Regulation pertaining to hunting and/or game viewing activities must be complied with all times.

Disclaimer/Indemnification

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

- (a) all correspondence must be conducted, and notices and disclaimers displayed in English and one other official language of the Republic of South Africa and Namibia and an interpreter must, on request of the client, hunter, guest or other participating party, be made available at all times;
- (b) the indemnity (disclaimer) wording must be drawn up by a qualified attorney disclaiming any liability on behalf of

the Insured or any partner or director or a guide or an employee of the Insured as a result of any hunting and or game viewing activities and such disclaimer must be approved by and lodged with the Company;

- (c) the legal agreement (disclaimer) between the insured and his/her/their client(s) shall, prior to the commencement of any commercial hunting and/or game viewing activity, be duly signed by both parties and shall be placed on record;
- (d) under no circumstances may any firearms be aimed at a fellow hunter, clients or any other person;
- (e) such legal agreement (disclaimer) shall be clearly displayed and be visibly positioned at the entrance to the Insured's premises and as such contain all conditions as stated in Specific Condition (a), (b), (c), (d) and (e) above;

28. Warehousemen's Liability

(If stated in the Schedule to be included)

In consideration of the payment of an additional premium and notwithstanding anything to the contrary contained in Specific Exception 2(a) (ii), the Company will, in terms of this Section, indemnify the Insured against liability which the Insured shall become legally liable to pay arising from loss of or damage to property/goods in the custody or control of the Insured for storage purposes following upon negligence,

provided that the Insured comply with the following conditions;

- (i) every client/organisation of the Insured shall sign the Insured's standard Conditions of Contract in respect of every undertaking by the Insured involving warehousing by retaining, storing and/or processing third party property whilst under the custody and control of the Insured;
- (ii) cover shall not include loss or damage to third party property by any peril insured or insurable in terms of any other Section(s) of this Policy or insurable in terms of a separate Machinery Breakdown Policy or a separate Deterioration of Stock following a Machinery Breakdown Policy or a separate Loss of Profits following a Machinery Breakdown Policy;
- (iii) property shall only be accepted by the Insured for storage or for any other purpose as stated above if the client/organisation requesting the retaining, storage and/or processing thereof has agreed to the terms and conditions contained in the Insured's standard Conditions of Contract by properly signing and dating these terms and conditions;
- (iv) a specimen copy of such terms and conditions must beforehand be lodged with the Company and may not under any circumstances be altered in any way without the written consent of the Company;
- (v) if the property of clients or organisations is delivered for purposes of storage and/or processing prior to the inception date of this Extension, then the onus is on the Insured to prove that any loss or damage to such property occurred subsequent to the inception date;
- (vi) the Insured shall at all times display notices in prominent positions on his/her/their premises disclaiming liability for loss of or damage to property;
- (vii) the company's liability inclusive of legal costs recoverable by a claimant and other costs and expenses incurred with our written consent arising shall not exceed the amount stated in the schedule in the aggregate during any 12 consecutive months of insurance (calculated from inception of this Section) for any one event;
- (viii) the Insured shall be liable for the first 10% of each and every claim with a minimum of R5,000 or the amount stated in the Schedule, whichever is the greater.

Additional Memo applicable to Warehousemen's Liability

The Company shall not be liable for:

- (a) loss of any goods due to the dishonest act of any employee;

- (b) mechanical or electrical derangement unless accompanied by other physical damage;
- (c) loss or damage caused by rust, wear and tear, gradual deterioration, inherent vice or defect, vermin, termites, insects, damp, mildew, in the process of repairing, restoration, dyeing, bleaching, alteration or renovation which the property undergoes;
- (d) delay, loss of market, consequential loss of any kind, depreciation, deterioration or change brought by any natural causes;
- (e) loss of or damage to cash, bank and currency notes, coins, obligations, coupons, stamps, negotiable instruments, deeds, manuscripts or bonds of any kind;
- (f) loss of or damage to furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art.

Disclaimer Forms

Overnight Guests and Functions

The insurance provided by this Section of the policy is strictly subject to there being Disclaimer Forms, containing an indemnity, signed by each guest upon arrival at the premises. It is noted that this requirement is only applicable to guests who will be staying on the premises overnight. An Indemnity Form is to be signed by the contracting party, on behalf of all guests who will be attending a conference or banqueting function on the premises.

Participation in Hazardous Activities

The insurance provided by this Section of the policy is strictly subject to there being specific Disclaimer Forms signed by each guest who intends participating in any outdoor activity of a hazardous nature, including rafting or other activity on a river, but excluding Swimming, Golf, Tennis, Bowls or other ball sports.

Disclaimer Notice Boards

The insurance provided by this Section of the policy is strictly subject to there being prominently displayed Disclaimer Notice Boards:

- (a) at the entrance(s) to the premises whenever Wild Animals are present on the premises;
- (b) at all Swimming Pools.

EMPLOYERS' LIABILITY SECTION

Indemnity

The Company will indemnify the insured in respect of damages which the Insured shall become legally liable to pay consequent upon a Defined Event which results in a claim first being made against the Insured in writing during the period of insurance.

Defined Events

Death or illness of or bodily injury (hereinafter termed Injury) to any person employed under a contract of service or apprenticeship with the Insured, which occurred in the course of and in connection with such person's employment by the Insured within the territorial limits and on or after the Retroactive Date shown in the Schedule,

The Limit of Indemnity

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

Territorial Limits

Anywhere in the world but not in connection with:

- (i) any business carried on by the Insured at or from premises;

OR

- (ii) any contract for the performance of work;

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

Specific Exceptions

The Section does not cover:

- (a) liability assumed by the Insured under any contract, undertaking or agreement where such liability would not have attached to the Insured in the absence of such contract, undertaking or agreement;
- (b) liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event;
- (c) fines, penalties, punitive, exemplary or vindictive damages;
- (d)
 - (i) damages in respect of judgements delivered or obtained in the first instance otherwise than by a Court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland;
 - (ii) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in (d) (i) above;
- (e) any claim arising from an event known to the insured:
 - (i) which is not reported to the company in terms of General Condition 6;
 - (ii) prior to inception of this Section;
- (f) any claim (in the event of cancellation or non-renewal of this Section) not first made in writing against the Insured within the 48-month period (or extended period in respect of minors) as specified in Specific Condition 2.

Specific Conditions

1. Any claim first made in writing against the Insured, as a result of a Defined Event, reported in terms of General Condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Company.
2. In the event of cancellation or non-renewal of this policy, or of this Section:
 - (a) any claim resulting from a reported event, first made in writing against the Insured during the 48 months immediately following cancellation or non-renewal, shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant;
 - (b) the Insured may report an event in terms of General Condition 6 to the Company for up to 30 days after cancellation or non-renewal,

provided that:
 - (i) such event occurred during the period of insurance;
 - (ii) any subsequent claim, resulting from a reported event, first made in writing against the Insured during the 48 months immediately following cancellation or non-renewal, shall be treated as having been made against the Insured on the last day preceding cancellation or non-renewal.

3. Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source, shall be treated as if they all had first been made against the Insured:
- (a) on the date that the event was reported by the Insured in terms of General Condition 6;
- or
- (b) if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.

Extensions

Extended Reporting Option

(If stated in the Schedule to be included)

At the option of the Insured and subject to payment of an additional premium to be determined and subject to all the terms exceptions and conditions of this Section, the Company agrees to extend the period during which the Insured may report an event in terms of General Condition 6 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as extended reporting period),

provided that:

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

Principals

Where a principal and the Insured are liable for the same damages and where any contract or agreement between a principal and the Insured so requires, the Company will, notwithstanding the aforementioned Specific Exception (a) above, indemnify the principal in like manner to the Insured, but only so far as concerns the liability of the principal to an employee as aforementioned for Injury to such person resulting from the negligence of the Insured or the Insured's employees,

provided that:

- (a) in the event of a claim in terms of this Extension, the Insured shall endeavour to arrange with the principal for the conduct and control of all claims to be vested in the Company;
- (b) the principal shall, as though s/he were the Insured, fulfil and be subject to the terms, exceptions and conditions (both general and specific) of this policy in so far as they can apply;
- (c) the liability of the Company is not hereby increased.

Memorandum

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

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

COMMERCIAL UMBRELLA LIABILITY SECTION

Preamble

In consideration of, and conditional upon, the prior payment of the premium by or on behalf of the Insured and receipt thereof by or on behalf of the Company and having agreed that any proposal or other information supplied by the Insured or on their behalf shall be the basis of this contract of insurance, the Company specified in the Schedule agrees to indemnify the Insured in the manner and to the extent stated herein.

1. Operative Clause

The Insurers will indemnify the Insured subject to the terms, exclusions, conditions and limit of indemnity as more particularly described under Policy Intention (Clauses 4.1, 4.2 & 4.3) against the Insured's legal liability to pay damages and associated claimants' costs in consequence of causing Injury or Damage, and the giving of Negligent Advice arising out of the performance of the Business within the Territorial Limits and in accordance with the law and procedures applicable anywhere in the world, but not in respect of any judgement, award or settlement made within countries which operate under the laws of North America (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part).

2. Definitions

For the purposes of this Policy, wherever they appear, the words or terms below shall be interpreted as follows:

1. Injury

shall mean injury to, or death, illness (mental or physical), disease, assault, defamation, false imprisonment or arrest of any person.

2. Damage

shall mean loss of or damage to tangible property, conversion, trespass, nuisance, infringement of copyright, title, slogan, idea or wrongful interference with the enjoyment of rights over tangible property.

3. Negligent Advice

shall mean incorrect or inadequate advice given in the promotion of the Insured's products, but without expectation of any other reward.

4. The Business

is defined in the Schedule, but also includes all organizations or functions operated for the benefit of the Insured's employees or visitors or for the protection or promotion of the Insured's activities.

5. Product

shall mean any tangible property including labels and/or containers (other than a vehicle) after it has left the custody or control of the Insured, which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured, but not food and drink provided mainly to the Insured's employees as a staff benefit.

6. North America

shall mean the United States of America (being the 50 States of the Union plus the district of Columbia), Canada and any territory operating under the laws of or subject to the jurisdiction of courts of the aforementioned territories.

7. Occurrence/Claim

is in the absence of a definition of similar effect in an applicable underlying policy;

- (a) an accident or event (including continuous or repeated injurious exposure to substantially the same General Conditions) which happens during the Period of Insurance, neither expected nor intended from the standpoint of the Insured and which results in Personal Injury or Property Damage.

A series of accidents or events following as a consequence of one original cause or happening at an identifiable point in time or happening as a result of an identifiable source in respect of Products shall be deemed to be one Occurrence and as having occurred during the Period of Insurance when the first accident or event happened irrespective of the period over which such accidents or events occur.

- (b) (in either the singular or plural) a written demand or a series of demands arising from one source or original cause made against the Insured for damages insured in terms of this Policy.

For the purposes of this Policy, the date of such demand shall represent the date the Claim is first made against the Insured.

3. Limit of Indemnity

The Company shall only be liable to pay damages and costs as detailed in Clause 1, the excess of either:

- 1. the limits of any Scheduled Underlying Insurances which may apply in respect of each Occurrence / Claim indemnified by Excess Layer Protection; or
- 2. the amount stated in the Schedule as the Deductible, in respect of each Occurrence / Claim indemnified by Difference in Conditions Protection and Additional Risks Protection,

and then limited to a further sum as stated in the Schedule in all in respect of each Occurrence / Claim, but in the aggregate during the Period of Insurance when an aggregate limit in the Scheduled Underlying Insurances applies.

In the event of any one originating cause giving rise to a claim or series of claims which form the subject of indemnity by more than one insuring section of, or more than one of, any Scheduled Underlying Insurances, the total amount of the Company's liability in terms of this policy shall be limited to the limit of indemnity stated in the Schedule.

To the extent that the Insured is accountable to the tax authorities for Value Added Tax in respect of any payment in terms of this Policy the Company will include the amount of such tax in the final settlement of any claim under this Policy, in addition to the Limits of Indemnity.

4. Policy Intention

Within the limits of the Operative Clause, this Policy provides indemnity in the following alternative circumstances:

1. Excess Layer Protection

Where the claim is prima facie covered by the terms of any of the policies listed as Scheduled Underlying Insurances, then this policy operates only to the extent that the claim is not met by such Scheduled Underlying Insurances solely because of the inadequacy of the Underlying Limit of Indemnity.

2. Difference in Conditions Protection

Where the claim is within the scope of the operative clause of any Scheduled Underlying Insurance, then this policy operates only when such claim is rejected by the Underlying Insurers because of a policy term, condition or exclusion.

3. Additional Risks Protection

Where the claim is outside the scope of the operative clause of any Scheduled Underlying Insurance, then this policy operates within the limitations of its own Operative Clause.

This Clause 4 establishes the intention of this policy, but does not modify, alter or extend the specific terms, conditions and exclusions of this policy, which remain paramount.

5. Excess Layer Protection

1. This Clause provides indemnity in respect of claims which are indemnified, during the period of this policy, by a Scheduled Underlying Insurance:
 - (a) in excess of the limit of indemnity stated to apply to the Scheduled Underlying Insurance, except where such limit has been reduced or exhausted by reason of claims, in which case this policy pays in excess of the residual limit (if any);
 - (b) for claimants' costs, provided these are not recoverable from the Scheduled Underlying Insurance. In the event of the wording of the Scheduled Underlying Insurance contradicting and thereby legally amending this provision, the Company's maximum liability under this sub-clause shall be the same proportion of incurred costs as the settled claim bears to the respective Limit of Indemnity.
2. In respect of any claim which forms the subject of indemnity of any Scheduled Underlying Insurance, this policy is declared to be subject to the same terms, conditions and exclusions as such Scheduled Underlying Insurance and the Company agrees to follow the decision of the Underlying Insurers in interpreting such terms, conditions and exclusions.
3. Any decision of the Underlying Insurers to accept a claim on an "ex gratia" or "without prejudice" basis shall not be binding on the Company.
4. No action or decision of the Underlying Insurers which prejudices the rights of the Company in the conduct or settlement of any claim under this policy shall be binding on the Company.
5. Where the Limit of Indemnity of the Scheduled Underlying Insurance is exhausted by reason of a claim which is also indemnified by this policy, the Company will continue to follow the original decision of the underlying insurers in respect of that claim in accordance with Clause 5.1.
6. Where the Limit of Indemnity of the Scheduled Underlying Insurance is exhausted by previous claims and, as a consequence, this policy operates as a primary policy, in respect of any claims which would otherwise have been indemnified by the Scheduled Underlying Insurance, the Company will interpret this policy as if the Underlying Insurance had still been in force.

7. Where the Scheduled Underlying Insurance states that generally or in respect of specified claims, the Limit of Indemnity is the aggregate of all indemnifiable claims occurring or made during the underlying period of insurance, then the Limit of Indemnity under this policy is declared to be on an identical basis to the Scheduled Underlying Insurance.
8. Where the Insurers of a Scheduled Underlying Insurance decline to grant indemnity in respect of a claim on the grounds that either:
 - (a) the loss did not occur; or
 - (b) the damage did not occur; or
 - (c) the claim was not made

during the period of insurance (as the case may be) and as a consequence such claim fails to be indemnified by a policy effected prior to the relevant Scheduled Underlying Insurance, then such prior policy shall be treated as if it was a Scheduled Underlying Insurance. For the purposes of this Clause 5.8, the limit of indemnity of the prior policy shall be deemed to be not less than the Limit of Indemnity as stated in respect of the relevant Scheduled Underlying Insurance without allowance for reduction or of such limit. In all other respects, the provisions of this Clause 5 will apply.

9. Where the Insured is indemnified against a claim by a policy not listed as a Scheduled Underlying Insurance (other than in circumstances described in 5.8 above) then the Company may, at its sole option (which must be exercised within a reasonable time), deem such policy to be an Underlying Insurance, in which event the provisions of this Clause 5 will apply as far as possible.

6. Difference In Conditions Protection

1. Where a claim is indemnifiable by the operative clause of a Scheduled Underlying Insurance, but is then declared by the Underlying Insurers to be excluded by reason of a policy term, exclusion or condition, then this policy will indemnify the Insured in accordance with this policy's Operative Clause.
2. Where a claim is not excluded by the operative clause of a Scheduled Underlying Insurance which has however been exhausted by reason of other claims and where, in the opinion of the Company, such claim would have been excluded by the Underlying Insurance by reason of a term, exclusion or condition, then the provisions of this Clause 6 will apply.
3. The Company will follow the provisions of the operative clause of the appropriate Scheduled Underlying Insurance in determining the basis on which the Insured is indemnified by this Clause of the policy, being either:
 - (a) in respect of Injury or Damage occurring or Negligent Advice given during the period of this policy (losses occurring); or
 - (b) in respect of claims made against the Insured during the period of this policy following Injury, Damage or Negligent Advice (claims made).
4. Whilst the basis of cover will follow the provisions of the operative clause of the Scheduled Underlying Insurance as detailed in Clause 6.3, the interpretation of these provisions will be the decision of the Company and not the Underlying Insurers. If the Scheduled Underlying Insurance is on a claims made basis, then the Company will deal with any claim arising out of an event or circumstance first notified by the Insured to the Company during the period of this policy as if the claim had been made during the period of this policy even if the Scheduled Underlying Insurance contains no similar provision.

5. If the Underlying Insurers repudiate a claim on the basis of an exclusion relating to the failure of a product to perform as specified, warranted or guaranteed, or to fulfil its intended purpose, and such Underlying Insurance is on a losses occurring basis and the circumstances of the claim are such that the Insured or the Company cannot mutually agree when the loss occurred, then the Company will deal with the claim on the basis that the loss occurred when the claimant first notified the Insured of a circumstance or an event which subsequently gave rise to an indemnifiable claim.
6. Generally, this Clause 6 does not provide indemnity where a claim is excluded by the wording of the operative clause of the Scheduled Underlying Insurance. There are, however, two specific exceptions to this rule, being where a claim is excluded by the Scheduled Underlying Insurance:
 - (a) solely on the grounds that the Injury or Damage was not accidental by nature, or did not arise out of an accident;
 - (b) solely on the grounds that temporary loss of use of property or reduction in value of property did not constitute "damage" within the terms of the operative clause of the Scheduled Underlying Insurance;subject always to the provisions of Exclusions 11.5 and 11.9.

7. Additional Risks Protection

1. This Clause will indemnify the Insured in respect of any claim which is not the subject of indemnity by any other policy of insurance, is not indemnified (either in whole or in part) by Clauses 5 or 6 of this policy and which forms the subject of indemnity by the Operative Clause.
2. The indemnity granted by this Clause 7 is limited to claims made against the Insured during the period of this policy, or events or circumstances notified by the Insured to the Company during such period which subsequently give rise to claims being made.
3. The Limit of Indemnity of this policy in respect of cover granted by this Clause 7 is limited to the aggregate of all claims made during the period of this policy, or events or circumstances notified by the Insured to the Company during such period which subsequently give rise to claims being made.
4. No indemnity is provided by this Clause where the Insurers of a Scheduled Underlying Insurance decline to grant indemnity in respect of a claim on the grounds that the Injury, Damage, Negligent Advice or event did not occur, or the claim was not made, during the policy period (as the case may be).

8. Indemnity To Others

The indemnity granted shall extend, at the Insured's option, and subject to the Company's consent which consent shall not be unreasonably withheld, to:

1. directors, partners or employees of the Insured in that capacity or in their private capacity arising out of any temporary engagement (undertaken with the Insured's consent) of the Insured's employees;
2. any person or party to the extent that any contract entered into by the Insured requires that such indemnity is given;
3. the personal representatives of any person or party indemnified;

provided always that all such persons or parties shall observe, fulfil and be subject to the terms, exclusions and conditions of this Policy.

9. Cross Liabilities

The Insured and persons or parties indemnified by Clause 8 are separately indemnified in respect of claims made by one against the other, subject to the Company's total liability not exceeding the Limit of Indemnity.

10. Clause 6 and 7 Exclusions

No indemnity is granted by Clauses 6 and 7 in respect of liability for or arising out of:

1. Aircraft Or watercraft

the ownership, hire purchase or leasing of any aircraft, watercraft or hovercraft (other than watercraft not exceeding 15,25 metres in length and then only whilst on inland waterways) by or on behalf of the Insured;

2. Ship And aviation repairing

the repair, maintenance, refuelling or de-fuelling of any aircraft, watercraft or hovercraft undertaken by or on behalf of the Insured as a revenue-producing activity;

3. Property

damage to property owned, leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insured's care, custody or control, other than premises (or the contents thereof) temporarily occupied by the Insured for work therein, or other property temporarily in the Insured's possession for work thereon, (but no indemnity is granted for damage to the property on which the Insured are working and which arises out of such work).

Exclusions 10.1 and 10.2 do not apply to liability for injury to, or death, illness or disease of employees of the Insured arising out of such employment, subject to policy Exclusion 11.12.

11. Policy Exclusions

No indemnity is granted by this policy against liability:

1. Fines and Penalties

for fines, penalties, punitive or exemplary damages;

2. Pollution

arising out of:

- (a) seepage, pollution or contamination, provided always that this Exclusion shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening;
- (b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening.

Nothing herein shall be construed as extending this Insurance to indemnify the Insured for any liability which would not have been covered under this insurance in the absence of this Exclusion 11.2.

3. Retroactive Date

(Applicable Only When Underlying Insurance is on a Claims Made Basis)

for any Injury, Damage or Malice, or for the provision of Negligent Advice which occurs prior to the Retroactive Date which is applicable to the underlying insurances or as stated in the Schedule, whichever is the later.

For the purposes of this Exclusion, where any Injury or Damage resulting from continuous or continual inhalation, ingestion, absorption or application of any substance or condition and where the Insured and the Company cannot mutually agree when the Injury or Damage occurred, then:

- (a) Injury shall be deemed to have occurred when the claimant first obtained medical advice or treatment for the Injury, whether or not the Injury was correctly diagnosed at the time;
- (b) Damage shall be deemed to have occurred when the claimant first became aware of the existence of the Damage.

4. Known Events

arising out of any circumstance, matter or thing which the Insured may reasonably be expected to suppose may give rise to a claim against the Insured and known by the Insured to have occurred prior to the inception of this Policy;

5. Deliberate Acts

arising out of any deliberate or intentional failure of the Insured's management to take reasonable precautions to prevent Injury, Damage or Malice, occurring or Negligent Advice being given;

6. Employee Benefits

for any benefits for which the Insured is liable under any relevant workmen's compensation, unemployment compensation, disability benefits or similar law scheme;

7. Product Replacement

for the costs necessary to repair, replace, recondition or modify any product or part thereof and/or for the loss of use of any product or part thereof;

8. Product Recall

arising out of the recall of any product or part thereof;

9. Performance Guarantees

arising out of performance warranties or guarantees, or clauses stipulating pre-estimated liquidated damages or penalties;

10. Gradually Operating Causes

unless contrary to statutory requirements within the relevant territory, occupational related diseases caused or contributed to by prolonged exposure to substances, factors or circumstances peculiar to any particular employment or occupation;

11. Asbestos Exclusion

whether actual or alleged, for any claim or claims in respect of loss or losses directly or indirectly caused by, arising out of, and resulting from, in consequence of, in any way involving, or to the extent contributed to by the hazardous nature of asbestos in whatever form or quantity. This Exception does not apply to any Personal or Motor Liability Sections, if included in the Underlying Policy ;

12. Motor Third Party Liability

for Motor Balance of Third Party liability unless such liability is in excess of the limit as Scheduled in the Underlying Insurance and is indemnifiable thereby ;

13. Carriage Of Fare-Paying Passengers

arising out of the carriage of passengers for hire or reward or the carriage of fare-paying passengers ;

14. Cyber Liability

loss of or damage to any Electronic Data howsoever caused including detrimental change thereto and any consequence arising therefrom, provided that, in respect of,

- (a) transmission of Viruses; and
- (b) inaccessibility of the Insured's Computer Network by persons otherwise authorised to access such; and
- (c) loss of Electronic Data;

this Exclusion shall apply at all times.

Electronic Data means any information, facts or programs stored as or on, created or used, or transmitted to or from computer software including systems and application software, disks in whatever form, tapes, cells, data processing devices or any other media which form part of or are used in connection with any electronic equipment;

15. Unfair Labour Practice

arising out of any actual or any alleged unfair labour practice as contemplated by the Labour Relations Act 66 of 1995 (as amended) or any Act passed in substitution thereof, or any similar legislation in force in any of the territories within the geographical limits of this policy;

16. Radioactive Contamination

- (a) for loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom: or
- (b) any consequential loss of whatsoever nature,

directly or indirectly caused by or contributed to by, or arising from, ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

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

The indemnity provided by this policy shall not apply to nor include any loss, destruction, damage or legal liability directly or indirectly caused by or contributed to by, or arising from, nuclear weapons material;

17. North American Exports

arising out of any product (including any marketing advisory service in connection with any product) within North America where such product was, to the knowledge of the insured, intended for sale or resale in North America or such sale or resale could reasonably have been contemplated by the insured;

18. Directors and Officers Liability and Professional Indemnity

for acts, errors or omissions of the directors or officers of the Insured when acting in their capacity as such, or in the provision by the Insured of professional services which shall include advice given, any action taken or work done by the Insured when carrying on their functions in any capacity involving special skill or knowledge in their calling, or the failure to discharge any obligations pursuant thereto. This exclusion does not apply to the provision of Negligent Advice (as defined);

19. Unfair Competition

for any claim or claims, whether actual or alleged, howsoever arising in connection with or based upon or arising from or in any way involving actual or alleged unlawful competition, unfair practices, abuse of monopoly power, cartel activities or as may otherwise arise from or be based upon or related to any breach of a provision of the Competition Act No. 89 of 1998 as amended or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the Insured's liability arose;

20. War and Terrorism

for loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following, regardless of any other cause or event contributing concurrently or in any other sequence to the loss:

- (a) war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- (b) any act of terrorism.

for the purposes of this Exclusion, an act of terrorism means an act including, but not limited to, the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear;

- (c) loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken by any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to (a) and (b) above.

If the Company alleges that, by reason of this Exclusion, any loss, damage, cost or expense is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

In the event that any portion of this Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect;

21. Hazardous Goods

for the transport of hazardous substances not in compliance with chapter viii of The Road Traffic Act 1996 (Act 93 of 1996), or any similar legislation in force in any of the territories within the geographical limits of this policy;

22. Compulsory Motor Insurance

except for so much of any compensation payable in respect of liability for death of or bodily injury to persons being carried in or upon or getting into or alighting from a vehicle, for injury which:

- (a) is the subject of legislation enacted for the purpose of providing compensation for loss or damage wrongfully caused by the driving of a motor vehicle; or
- (b) is the subject of legislation controlling the use of motor vehicles or trailers and in respect of which liability:
 - (i) the Insured is compelled to effect insurance or otherwise furnish security; or
 - (ii) the State or other governmental authority has accepted responsibility;
- (c) is suffered as a result of an emotional shock by a person other than an injured party on witnessing, observing or being informed of the injury of another person as a result of the driving of a motor vehicle.

This exclusion shall apply notwithstanding that no insurance under such legislation is in force or has been effected, or that compensation is not paid for any reason whatsoever.

12. Policy Conditions

1. Law and Jurisdiction

Any dispute between the Insured and the Company in connection with or arising out of the policy shall be decided exclusively in accordance with the law of the Republic of South Africa or Namibia and exclusively by a court of South Africa or Namibia.

The Insured accordingly undertake that they will not institute action against the Company nor bring joinder proceedings against the Company in a Court of any country other than the Republic of South Africa and Namibia.

2. Premium

Unless otherwise stated, the premium shown in the Schedule is a provisional premium based on estimates made and provided by the Insured. The Insured undertake to keep an accurate and proper record of matters relevant to the calculation of premium and shall, within a reasonable time following the expiry of each period of Insurance, provide the Company with a proper and correct statement, so that the premium for that period shall be calculated and the difference paid by or allowed to the Insured as the case may be (subject to any minimum premium that may have been agreed).

3. Inspection and Audit

The Insurers shall be permitted but not obliged to inspect the Insured's property and operations at any time. Neither the Company's rights to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property or operations are safe, or healthy, or are in compliance with any law, rule or regulation.

The Company may examine and audit the Insured's books and records at any time as far as they are relevant to this policy or any Underlying Policy.

4. Insured's Obligation to Report to Insurers

The Insured shall, immediately they become aware of any of the following, give notice thereof in writing to the Company

- (a) any and all claims made against the Insured;
- (b) any circumstance or any other matter or thing which might give rise to a claim by the Insured under this policy.

The Company shall, upon receipt of written notice from the Insured in terms of either of the foregoing provisions, be entitled to investigate all and any matters which, in the absolute discretion of the Company, are relevant to the foregoing, and the Insured shall do all things necessary and comply with Condition 12.3 to enable the Company to investigate as aforesaid.

Inadvertent failure to comply with this Condition because the Insured could not reasonably have anticipated that the event would give rise to a claim under this policy will not be construed as a breach of this Condition.

5. Assistance and Co-Operation of the Insured

The Company shall be entitled, but not obliged, to assume control of the settlement or defence of any claim made or suit brought or proceeding instituted against the Insured.

The Company shall have the right and shall be given the opportunity to associate with the Insured or their Underlying Insurers, or both, in the defence or control of any claim, suit or proceeding which involves the Company or within the Underlying Limit of Indemnity, in which event the Insured, such Underlying Insurers and the Company shall co-operate in all things in the defence of such claim, suit or proceeding and the Insured shall make available to the Company such information and afford access to such records as the Company may require.

The Insured shall enforce all rights of contribution and indemnity against any person or organization who may be liable to the Insured in respect of any occurrence which has given rise to liability of the Insured and which is the subject of a claim for indemnity in terms of this policy.

6. Appeals

In the event that the Insured or their Underlying Insurers elect not to appeal against a judgement in excess of the underlying limit, the Company may elect to make such appeal at their own cost and expense, and shall be liable for the taxable costs and disbursements and interests on judgement incidental thereto, as are incurred as a result of such election, but in no event shall the liability of the Company exceed the amount applicable to any one occurrence. If the Company shall make such an appeal, the Insured shall themselves, and shall procure that their Underlying Insurers, make available to the Company all such evidence and material as the Company may require.

The Insured shall do all things necessary to enable the Company to act in accordance with this Condition.

7. Claims Payable

Indemnity will not be provided under Clause 5 until the relevant Underlying Insurers have agreed to pay the Underlying Indemnity Limit as defined in Clause 5.

8. Bankruptcy or Insolvency

In the event of bankruptcy, insolvency or sequestration of the estate of the Insured, whether voluntary or involuntary, or upon takeover of the Insured's business by any Court Official, Trustee or Liquidator, acting or appointed for this purpose, this policy shall thereupon terminate without the necessity of the Company giving notice of such cancellation. In the event of such termination, the Company will refund such Court Official, Trustee or Liquidator the unearned premium or pro-rata thereon, whichever is the lesser.

9. Underlying Insurances

The indemnity granted by this policy is conditional upon the Underlying Insurances remaining in force throughout the period of insurance for the Indemnity Limits stated in the Schedule of Underlying Insurances attached to this policy (other than where reduced or exhausted by claims).

10. Other Insurances

If the Insured has effected insurance for the purpose of providing indemnity, other than a policy specifically to provide indemnity in excess of this policy, the insurance afforded by this policy shall not contribute with such other insurance. The provisions of this Condition shall apply notwithstanding that the aforesaid policy be voidable or that the Company be entitled to avoid liability for an occurrence which has given rise to a claim under such other policy.

11. Subrogation

No admission, offer or payment which results in a claim under this policy may be made or given by or on behalf of the Insured or the Insurers of any Scheduled Underlying Insurance policy without the written consent of the Company. The Insured will take all reasonable steps to ensure that the Underlying Insurers co-operate with the Company in the defence and settlement of any claim, which is indemnifiable both by a Scheduled Underlying Insurance policy and this policy, and in the exercise of any subrogation rights. The costs incurred in exercising such rights and any amounts recovered shall be apportioned to each party according to the sums paid or payable under the respective policies.

12. Changes

Notice to or knowledge possessed by any agent or by any other person shall not effect a waiver or a change in any part of this policy nor stop the Company from asserting any rights under the terms of this policy, nor shall the terms of this policy be waived or changed, except by endorsement issued to form a part of this policy, signed by an authorised representative of the Company.

13. Assignment

Assignment of interest under this policy shall not bind the Company until its consent is endorsed hereon.

14. Cancellation

This Section may be cancelled at any time by the Company giving 30 days' notice in writing or by the Insured giving immediate notice of such cancellation and, provided that the Company has not been notified of any claim under the policy or any circumstance, matter or thing which may give rise to such a claim, there shall be a pro-rata refund premium subject to the terms of Condition 12.2.

15. Currency

Payments under this policy shall be payable in the currency of South Africa and or Namibia.

16. Declarations

By acceptance of this policy, the Insured agrees that the statements in the Schedule and in any subsequent notice relating to the Underlying Limits, are their agreements and representations, and this policy is issued and continued in reliance upon the truth of such representations and this policy embodies all agreements existing between the Insured and the Company relating to this Insurance.

17. Due Observance

The due observance and fulfilment of all provisions in this policy that require anything to be done or complied with by the Insured is precedent to any liability of the Company in respect of any occurrence for which the Insured makes a claim under this policy.

18. Payment of Premium

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

19. Fraudulent Claims

If any claim under this policy is in any respect fraudulent, the benefit afforded under this Section in respect of such claim shall be forfeited.

STATED BENEFITS SECTION

Defined Events

Bodily injury caused by accidental, violent, external and visible means to any partner in or of or any director or employee of the Insured (hereinafter in this Section referred to as "such person") specified in the Schedule.

The Company will pay to the Insured on behalf of such person or his/her estate the compensation stated in the Schedule in the event of accidental bodily injury to any such person directly and independently of all other causes, resulting within 24 calendar months in death or disability as specified in the Schedule under the heading 'circumstances'.

Definitions

Death

shall mean the amount equal to the average weekly earnings specified in the Schedule.

Permanent Disability

shall mean	% of compensation
(a) loss by physical separation at or above the wrist or ankle of one or more limbs	100 %
(b) permanent and total loss of	
- whole eye	100 %
- sight of eye	100 %
- sight of eye except perception of light	75 %
(c) permanent and total loss of hearing	
- both ears.....	100 %
- one ear	25 %
(d) permanent and total loss of speech.....	100 %
(e) injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training.....	100 %
(f) loss of four fingers.....	70 %

(g) loss of thumb	
- both phalanges	25 %
- one phalanx	10 %
(h) loss of index finger	
- three phalanges.....	10 %
- two phalanges.....	8 %
- one phalanx	4 %
(i) loss of middle finger	
- three phalanges.....	6 %
- two phalanges.....	4 %
- one phalanx	2 %
(j) loss of ring finger	
- three phalanges.....	5 %
- two phalanges.....	4 %
- one phalanx	2 %
(k) loss of little finger	
- three phalanges.....	4 %
- two phalanges.....	3 %
- one phalanx	2 %
(l) loss of metacarpals	
- first or second (additional)	3 %
- third, fourth or fifth (additional).....	2 %
(m) loss of toes	
- all on one foot	30 %
- great, both phalanges.....	5 %
- great, one phalanx	2 %
- other than great, if more than one toe lost, each	2 %

Memoranda

- (i) Where the injury is not specified, the Company will pay such sum as, in its opinion, is consistent with the above provisions.
- (ii) Permanent total loss of use of part of the body shall be treated as loss of such part.
- (iii) 100% shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

Temporary Total Disability

shall mean total and absolute incapacity from following usual business or occupation except where the insured person is also the owner of the farm in which case the compensation specified in respect of temporary total disablement is only payable for the period while such farm owner is admitted to a hospital or registered nursing home due to physical injury.

Medical Expenses

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

Annual Earnings

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

Average Weekly Earnings

shall mean one fifty-second part of annual earnings.

Provisos

It is declared and agreed that:

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the Schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as in reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided for herein, this Section shall not apply for any such person under 15 or over 70 years of age;
4. any compensation payable by the Company for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation or similar enactment for temporary disability for the same or a lesser period or in respect of medical expenses;
5. after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the Company so to do, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. General Conditions 2 and 9 do not apply to this Section;
7. in respect of this Section only, General Exception 1 is deleted and replaced by the following:

"This section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power";
8. no compensation shall be payable:
 - (i) for temporary total disability where the period of disability is less than 7 consecutive days;
 - (ii) for medical expenses where such expenses are less than the First Amount Payable stated in the Schedule;
9. compensation for temporary total disability and medical expenses shall cease immediately:
 - (i) when compensation becomes payable for death;
 - (ii) when compensation becomes payable for permanent disability, provided the bodily injury which resulted in the disability has been cured or healed as far as reasonably possible.

Extensions

1. Exposure

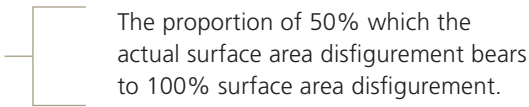
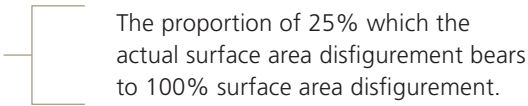
Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements, directly or indirectly resulting from mishap.

2. Disappearance

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

3. Burns Disfigurement

Subject to the exclusion shown below, the following item is added to the "Permanent Disability" definition:

	% of compensation
(n) Permanent disfigurement resulting from accidental external burns to the combined surface area of the	
(i) face and neck	
- 100% surface area disfigurement	50%
- Less than 100% surface area disfigurement	
(ii) remaining parts of the body other than the face and neck	
- 100% surface area disfigurement	25%
- Less than 100% surface area disfigurement	

The Company shall not pay under any sub-item of this Extension unless the disfigurement exceeds 10% for the sub-item under which a claim is lodged.

4. Life Support Machinery

Notwithstanding anything contained in the Defined Events, the 24-month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

5. Repatriation

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

6. Bereavement Expenses

In the event of an accident giving rise to a death claim, the Company will pay to such person's estate R5,000 as a contribution to bereavement expenses.

7. Passive War Cover

(If stated in the Schedule to be included)

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

8. 24-Hour Cover

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

9. Mobility

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

- (i) a self-propelled wheelchair; and/or
- (ii) the modification of the controls to such person's motor vehicle; and/or
- (iii) if necessary, the fitting of wheelchair loading equipment to such person's private vehicle and/or to such person's private residence, to facilitate the use of such wheelchair;

up to an amount not exceeding R10,000 any one event.

10. Post-Trauma Counselling

The Company will indemnify the Insured for the cost of treatment of any principal, partner, director or employee of the Insured undergoing treatment by a registered psychologist as a result of their having been psychologically traumatised as a direct result of an insured event under this Section. The Company's liability in respect of any one claim or series of claims arising from any one event will be limited to R2,500 per person with a maximum limit of R25,000 per event.

Specific Exceptions

The Company shall not be liable to pay compensation for death, disability or medical expenses in respect of such person:

- (a) while s/he is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- (b) by his/her suicide or intentional self-injury;
- (c) caused solely by an existing physical defect or other infirmity of such person;
- (d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by a member of the medical profession (other than him/herself) or unless prescribed by and taken in accordance with the instruction of a member of the medical profession (other than him/herself);

- (e) as a result of his/her participation in any riot or civil commotion;
- (f) 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 sequela thereof;
- (g) while s/he is, or as a result of his/her, engaging in:
 - (i) motorcycling (whether as driver or passenger) other than on the business of the Insured;
 - (ii) racing of any kind involving the use of any power driven:
 - (a) vehicle;
 - (b) vessel;
 - (c) craft;
 - (iii) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football, hang-gliding;
- (h) by his/her involvement or participation in any defence force and/or armed forces training, service, exercises or operations except peace time military training;
- (i) as the result of an accident attributable to such person's serious and wilful misconduct;
- (j) whilst such person is using or as a result of such person's use of woodworking machinery other than as a domestic hobby or during official school classes;
- (k) whilst such person is engaged in, or as a result of such person engaging in mining, shaft sinking, underground mining operations, or the manufacture or use of explosives.

Specific Conditions

Declaration Of Earnings

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

GROUP PERSONAL ACCIDENT SECTION

Defined Events

Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or employee of the Insured (hereinafter in this Section referred to as "such person") specified in the Schedule.

The Company will pay to the Insured on behalf of such person or his/her estate the compensation stated in the Schedule in the event of accidental bodily injury to any such person directly and independently of all other causes, resulting within 24 calendar months in death or disability as specified in the Schedule under the heading 'circumstances'.

Definitions

Permanent Disability

shall mean	% of compensation
(a) loss by physical separation at or above the wrist or ankle of one or more limbs	100 %
(b) permanent and total loss of	
- whole eye	100 %
- sight of eye	100 %
- sight of eye except perception of light	75 %
(c) permanent and total loss of hearing	
- both ears.....	100 %
- one ear	25 %
(d) permanent and total loss of speech.....	100 %
(e) injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training.....	100 %
(f) loss of four fingers.....	70 %
(g) loss of thumb	
- both phalanges	25 %
- one phalanx	10 %

(h) loss of index finger	
- three phalanges.....	10 %
- two phalanges.....	8 %
- one phalanx	4 %
(i) loss of middle finger	
- three phalanges.....	6 %
- two phalanges.....	4 %
- one phalanx	2 %
(j) loss of ring finger	
- three phalanges.....	5 %
- two phalanges.....	4 %
- one phalanx	2 %
(k) loss of little finger	
- three phalanges.....	4 %
- two phalanges.....	3 %
- one phalanx	2 %
(l) loss of metacarpals	
- first or second (additional)	3 %
- third, fourth or fifth (additional).....	2 %
(m) loss of toes	
- all on one foot	30 %
- great, both phalanges.....	5 %
- great, one phalanx	2 %
- other than great, if more than one toe lost, each	2 %

Memoranda

- (i) Where the injury is not specified, the Company will pay such sum as, in its opinion, is consistent with the above provisions.
- (ii) Permanent total loss of use of part of the body shall be treated as loss of such part.
- (iii) 100% shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.

Temporary Total Disability

shall mean total and absolute incapacity from following usual business or occupation except where the insured person is also the owner of the farm in which case the compensation specified in respect of temporary total disablement is only payable for the period while such farm owner is admitted to a hospital or registered nursing home due to physical injury.

Medical Expenses

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

Provisos

It is declared and agreed that:

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the Schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as in reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided for herein, this Section shall not apply for any such person under 15 or over 70 years of age;
4. any compensation payable by the Company for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation or similar enactment for temporary disability for the same or a lesser period or in respect of medical expenses;
5. after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the Company so to do, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. General Conditions 2 and 9 do not apply to this Section;
7. in respect of this Section only, General Exception 1 is deleted and replaced by the following:

"This section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power";
8. no compensation shall be payable:
 - (i) for temporary total disability where the period of disability is less than 7 consecutive days;
 - (ii) for medical expenses where such expenses are less than the First Amount Payable stated in the Schedule;
9. compensation for temporary total disability and medical expenses shall cease immediately:
 - (i) when compensation becomes payable for death;
 - (ii) when compensation becomes payable for permanent disability, provided the bodily injury which resulted in the disability has been cured or healed as far as reasonably possible.

Extensions

1. Exposure



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

2. Disappearance

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

3. Burns Disfigurement

Subject to the exclusion shown below, the following item is added to the "Permanent Disability" definition:

		% of compensation
(n) Permanent disfigurement resulting from accidental external burns to the combined surface area of the		
(i) face and neck		
- 100% surface area disfigurement		50%
- Less than 100% surface area disfigurement		The proportion of 50% which the actual surface area disfigurement bears to 100% surface area disfigurement.
(ii) remaining parts of the body other than the face and neck		
- 100% surface area disfigurement		25%
- Less than 100% surface area disfigurement		The proportion of 25% which the actual surface area disfigurement bears to 100% surface area disfigurement.

The Company shall not pay under any sub-item of this Extension unless the disfigurement exceeds 10% for the sub-item under which a claim is lodged.

4. Life Support Machinery

Notwithstanding anything contained in the Defined Events, the 24-month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

5. Repatriation

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

6. Bereavement Expenses

In the event of an accident giving rise to a death claim, the Company will pay to such person's estate R5,000 as a contribution to bereavement expenses.

7. Passive War Cover

(If stated in the Schedule to be included)

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

8. 24-Hour Cover

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

9. Mobility

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

- (i) a self-propelled wheelchair; and/or
- (ii) the modification of the controls to such person's motor vehicle; and/or
- (iii) if necessary, the fitting of wheelchair loading equipment to such person's private vehicle and/or to such person's private residence to facilitate the use of such wheelchair;

up to an amount not exceeding R10,000 any one event .

10. Post-Trauma Counselling

The Company will indemnify the Insured for the cost of treatment of any principal, partner, director or employee of the Insured undergoing treatment by a registered psychologist as a result of their having been psychologically traumatised as a direct result of an insured event under this Section. The Company's liability in respect of any one claim or series of claims arising from any one event will be limited to R2,500 per person with a maximum limit of R25,000 per event.

Specific Exceptions

The Company shall not be liable to pay compensation for death, disability or medical expenses in respect of such person:

- (a) while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- (b) by his/her suicide or intentional self-injury;
- (c) caused solely by an existing physical defect or other infirmity of such person;
- (d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by a member of the medical profession (other than him/herself) or unless prescribed by and taken in accordance with the instruction of a member of the medical profession (other than him/herself);

- (e) as a result of his/her participation in any riot or civil commotion;
- (f) 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 sequelae thereof;
- (g) while he/she is, or as a result of his/her, engaging in:
 - (i) motor cycling (whether as driver or passenger) other than on the business of the Insured;
 - (ii) racing of any kind involving the use of any power driven:
 - (a) vehicle;
 - (b) vessel;
 - (c) craft;
 - (iii) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football, hang-gliding;
- (h) by his/her involvement or participation in any defence force and/or armed forces training, service, exercises or operations except peace time military training;
- (i) as the result of an accident attributable to such person's serious and wilful misconduct;
- (j) whilst such person is using or as a result of such person's use of woodworking machinery other than as a domestic hobby or during official school classes;
- (k) whilst such person is engaged in, or as a result of such person engaging in mining, shaft sinking, underground mining operations, or the manufacture or use of explosives.

MOTOR SECTION - A

Sub-Section A – Loss or Damage

Defined Events

Loss of or damage (hereinafter in this Section referred to as “Damage”) to any vehicle described in the Schedule. If such vehicle is disabled by reason of any Damage insured hereby, the Company will, in addition to the limit of indemnity stated in the Schedule, pay the reasonable costs of:

- (a) protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the previous consent of the Company to the extent of, but not exceeding, R5,000 provided that a detailed estimate is first obtained and immediately forwarded to the Company;
- (b) delivery to the Insured after repair of such Damage, not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique,

provided that:

- 1. the limit of indemnity for each type of vehicle is as stated in the Schedule and shall be the maximum amount payable by the Company in respect of such Damage, but shall not exceed the reasonable retail value (VAT included) of the vehicle plus its accessories and spare parts therein or thereon at the time of such Damage;
- 2. the Company may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the Damage;
- 3. if, to the knowledge of the Company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein, whose receipt shall be a full and final discharge to the Company in respect of such loss or damage;
- 4. in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion under this Sub-Section, the Insured shall be responsible for the first amount payable stated in the Schedule of any expenditure (or any less expenditure which may be incurred) for which provision is made under this Sub-Section (including any payment in respect of costs expenses and fees), and of any expenditure by the Company in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the Company shall include any first amount payable for which the Insured is responsible, such amount shall be paid by the Insured to the Company forthwith;
- 5. the Company shall not be liable for more than the amount stated in the Schedule (after deduction of the first amounts payable) in respect of the theft or attempted theft of radios, tape-players and similar equipment or telephones not supplied by the manufacturers of the vehicle when new.

Exceptions to Sub-Section A

The Company shall not be liable to pay for:

- (a) consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following Damage or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages;
- (b) damage to tyres by application of brakes or by road punctures, cuts or bursts;
- (c) damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;
- (d) Damage to any vehicle as a result of detention, confiscation or requisition by customs or other officials or authorities.

Sub-Section B – Liability to Third Parties

Defined Events

Any accident caused by or through or in connection with any vehicle described in the Schedule or in connection with the loading and/or unloading of such vehicle in respect of which the Insured and/or any passenger shall become legally liable to pay damages, including claimant's costs and expenses, as a consequence of:

- (i) death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the Insured arising from and in the course of such employment or, if the Insured is an individual, being a member of the same household as the Insured;
- (ii) Damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from such vehicle.

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

1. pay all costs and expenses incurred with its written consent, and shall be entitled at its discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this Sub-Section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this Sub-Section, provided that the total of the Company's liability under both this Extension and Sub-Section B shall not exceed the limit of indemnity stated to apply to Sub-Section B;
2. indemnify any person who is driving or using such vehicle on the Insured's order or with the Insured's permission, provided that:
 - (a) such person shall, as though s/he were the insured, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply;
 - (b) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer;
 - (c) indemnity shall not apply in respect of claims made by any member of the same household as such person;
 - (d) such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder;
3. indemnify the Insured while personally driving or using any private type motor car not belonging to him/her and not leased or hired to him/her under a lease or suspensive sale agreement, provided that the Insured is an individual and has insured hereunder a vehicle described under Definition (a) or (b) and provided that the Company shall not be liable for damage to the vehicle being driven or used;

4. indemnify the Insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided that the Company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

Exceptions To Sub-Section B

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

- (a) so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance or accident compensation enactment.

This exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected;

- (b) death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in definition (b), (c), (d), (e), (f) or (g) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of any such vehicle);
- (c) liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of a vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exception shall not apply to forklift trucks;
- (d) death, injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the bringing of a load to any insured vehicle for loading thereon or the taking away of a load from any insured vehicle after unloading therefrom;

Limits of Indemnity

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

Sub-Section C – Medical Expenses

Defined Events

Accidental bodily injury sustained by an occupant in the specified part of a vehicle described below, in direct connection with such vehicle, which results in medical expenses being incurred.

The company will pay to the insured such medical expenses incurred up to R5,000 per injured occupant but not exceeding R20,000 in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

The amount payable under this sub-section shall be reduced by any amount recoverable under any Workmen's Compensation enactment or similar legislation.

The term medical expenses includes any costs incurred to free such injured occupant from such vehicle or to bring such injured occupant to a place where medical treatment can be given.

Defined Vehicle but only if it is insured under sub-section A of this Section	Specified part of vehicle in which the injury must occur
Any private type motor car, motorized caravan, safari vehicle (Definition (d)) or golf cart	Anywhere inside the vehicle
Any other type of insured vehicle other than a special type, bus or taxi	The permanently enclosed passenger carrying compartment

Definitions

1. Occurrence

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

2. Vehicle

The term vehicle shall mean:

- (a) private type motor cars, including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 12 persons including the driver, with a driving capacity not exceeding 2,000 Kg;
- (b) commercial vehicles as described in the Schedule with a carrying capacity exceeding 2,000 Kg;
- (c) special type vehicles as described in the Schedule (such as Tractors and Combine Harvesters);
- (d) vehicles specifically adapted or designed for the purpose of accommodating commercial hunters and game viewing activities and registered in terms of and in compliance with the licensing laws;
- (e) motor cycles, self-propelled tri-cars, scooters, two-, three- and four-wheeled motor cycles;
- (f) buses, including any other type of vehicle designed to seat more than 12 persons including the driver;
- (g) trailers (i.e. any vehicle without means of self-propulsion designed to be drawn by a motorised vehicle), motorised lawnmowers, motorised golf carts, non-motorised caravans.

Extensions

1. Contingent Liability

The indemnity under Sub-Section B shall include claims made against:

- (a) the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the Insured, while being used by any partner, director or employee of the Insured (hereafter in this Extension referred to as such person);
- (b) any such person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to him/her or to the Insured or leased or hired to either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any insurer, provided that:
 - (i) all the words in (b) of the Exceptions to Sub-Section B are deleted;
 - (ii) the Company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above;
 - (iii) the payment by the Insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this Extension;
 - (iv) if, at the time of the occurrence of any accident giving rise to a claim under this Extension, the Insured or such person is entitled to indemnity under any other policy in respect of the same occurrence, the Company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy;

- (v) the terms, exceptions and conditions of the policy shall otherwise apply;
- (vi) the limit of indemnity for any one occurrence shall not exceed R2,500,000 or the amount stated in the Schedule, whichever is the greater, less the first amount payable.

2. Passenger Liability

Exception (b) to Sub-Section B shall not apply to:

- (a) vehicles described in Definitions (b) provided that cover under this Extension is limited to death of or bodily injury to any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment. The limit of indemnity for any one occurrence shall not exceed R2,500,000 or the amount stated in the Schedule, whichever is the greater;
- (b) vehicles described in Definition (d), provided that cover under this Extension is limited to death of or bodily injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle specifically adapted or designed for the purpose of commercial hunting or game viewing. The limit of indemnity for any one occurrence shall not exceed R250,000 or the amount stated in the Schedule, whichever is the greater.

3. Unauthorised Passenger Liability

The indemnity under Sub-Section B, notwithstanding Exception (b) thereto, extends to cover the Insured's legal liability for death of or bodily injury to persons while being carried in or upon or entering or getting onto or alighting from any vehicle in contravention of the Insured's instructions to their driver not to carry passengers. The limit of indemnity for any one occurrence shall not exceed R2,500,000 or the amount stated in the Schedule, whichever is the greater.

4. Parking Facilities and Movement of Third Party Vehicles

This Section extends to indemnify the Insured in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or used by or hired or leased to the Insured) by any person in the employment of the Insured or acting on the Insured's behalf, provided always that such vehicle was being moved:

- (a) with the authority of any tenant, customer or visitor of the Insured; or
- (b) in connection with the Insured's parking arrangements; or
- (c) to facilitate the carrying out of the Insured's business;
- (d) in an emergency, in order to prevent or minimise damage to such vehicle or any other property for which the Insured is responsible,

and provided further that this Extension shall not apply in respect of Damage to vehicles which are parked for reward.

For the purposes of this Extension, such vehicle (and its contents) shall not be deemed to be held in trust by, or in the custody or control of, the Insured. The limit of indemnity for any one occurrence shall not exceed R2,500,000 or the amount stated in the Schedule, whichever is the greater, less the first amount payable.

5. Windscreen, Glass, Headlamp and Taillight Glass

The provisions of this Section relating to first amount payable shall not apply to any payment for damage to windscreen glass, side or rear glass forming part of any vehicle defined as (a) including any headlamp and taillight glass,

provided that:

- (a) no other damage has been caused to the vehicle giving rise to a claim under the policy;
- (b) the Insured shall be responsible for the first amount payable (applicable to glass) stated in the Schedule in respect of each and every occurrence.

6 Waiver of Subrogation Rights

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

7. Principals

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

8. Cross Liabilities

Where more than one Insured is named in the schedule, the Company will indemnify each Insured separately and not jointly, and any liability arising between such Insured shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Company, in respect of any one occurrence, shall not exceed the limit of indemnity stated in the Schedule.

9. Riot and Strike

(If stated in the Schedule to be included)

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

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

provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than Loss of Rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A), (ii), (iii), (iv), (v) or (vi) of this policy, or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

10. Keys, Locks and Remote Control Units

The Company will indemnify the Insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle, following upon the disappearance of any key or alarm controller of such vehicle or following upon the Insured having reason to believe that any unauthorised person may be in possession of such key or alarm controller or a duplicate thereof, whether or not obtained by violence or threat of violence,

provided that:

- (i) the Company's liability shall not exceed, in respect of any one occurrence, R10,000 or the amount stated in the Schedule whichever is the greater;
- (ii) such amount shall be reduced by the first amount payable of R1,000 or the amount stated in the Schedule whichever is the greater.

11. Fire Extinguishing Charges

Any costs (not exceeding R10,000) relating to the extinguishing or fighting of Fire shall be deemed to be Damage to the insured vehicle and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided that the Insured is legally liable for such costs and the insured vehicle was in danger from the Fire.

12. Wreckage Removal

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following Damage to such vehicle, provided that, in addition to the limit of indemnity under Sub-Section A of this Section, the limit of the Company's liability under this Extension shall not exceed, in respect of any one occurrence, the amount of R15,000 or the limit stated in the Schedule, whichever is the greater.

13. Credit Shortfall

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

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

provided always that:

- (i) the amounts payable shall not exceed the maximum indemnity less the first amount payable under Sub-Section A;
- (ii) this Extension shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% from any other instalment;
- (iii) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease, the insurance by this Extension shall be void.

14. Extension of Cover to a Territory Outside the Territorial Limits of the Policy

(If stated in the Schedule to be included)

Specific Exception 1 (b) of this Section is amended to include the territory stated in the schedule and this cover is subject to the following conditions:

Sub - Section A

1. If the insured vehicle as stated in the Schedule is damaged in an accident, or during theft or a hi-jacking, the Company shall not be liable for the repair of the insured vehicle until such time as the Insured has successfully repatriated the vehicle to the Republic of South Africa or Namibia, (or the country of permanent domicile of the Insured).
2. The costs of the repatriation shall be borne by the Insured.
3. The Insured may, however, give instructions for temporary repairs within the territory stated in the Schedule, subject to the limit and conditions stated in Sub-Section A.
4. Damage to accessories or spare parts by theft or hi-jacking is not covered unless the vehicle is stolen at the same time.
5. In the event that an insured vehicle is considered a constructive total loss (onus will be on the Insured to prove this before the Company will accept liability) and the Insured does not repatriate the vehicle to the Republic of South Africa or Namibia, the Company will deduct 25% from the gross claim as salvage from any settlement offered to the Insured.
6. In the event that an insured vehicle is stolen or hi-jacked, and not recovered within 6 weeks of the incident, the Company will reimburse the Insured as if the incident had occurred in the Republic of South Africa or Namibia.

Sub - Section B

The Company will not indemnify the Insured in respect of:

- (a) damages in respect of judgments delivered or obtained in the first instance otherwise than by a Court of Competent Jurisdiction within the Republic of South Africa or Namibia;
- (b) costs and expenses recoverable by any claimant from the Insured which are not incurred in and recoverable in the area described in (a) above.

15. Loss of Use

(If stated in the Schedule to be applicable)

In the event of the loss of use of a vehicle (for which this Extension was taken) stated in the Schedule (insured on a comprehensive basis only) through or as a result of any Damage to such vehicle which would constitute a claim under this Section of the policy, the Company shall, upon receipt of proof of an account issued by the supplier, indemnify the Insured for the cost of hiring the said vehicle for which this Extension applies, provided that:

- (a) the indemnity is limited to the amount as stated in the Schedule which is defined as a limit per day for a maximum number of days;
- (b) compensation will commence:
 - (i) from the day repairs were authorized; or
 - (ii) in the case of theft/hijack, from the date the Company receives a duly completed claim form together with a police report confirming the theft/hijack, relevant investigation, and confirmation whether or not the vehicle in question was recovered;

- (c) compensation will cease when:
- (i) the Insured regains possession of the vehicle; or
 - (ii) the vehicle is replaced or the Company discharges liability for a total loss; or
 - (iii) payment has been made for the period as stipulated,
- whichever occurs first,

but always subject to the Insured providing the Company with an invoice for the rental thereof.

15. Removal and Protection Costs Following Mechanical Breakdown

(Definition (a) Vehicle Only)

The company will pay the reasonable costs for the protection and removal of any insured vehicle defined as (a) to the nearest repairer after mechanical and electrical breakdown of such vehicle up to a maximum of R2,500 and the cover is limited to one occurrence in any one period of 12 consecutive from inception or anniversary date.

16. Emergency Accommodation

(Definition (a) Vehicle Only)

Accommodation for the Insured and/or spouse as well as any passenger whom is travelling with the Insured in respect of an emergency due to loss or damage to the vehicle will be paid by the Company up to an amount of R500 per person but not exceeding R5,000 in the aggregate per event.

This cover applies only if the journey cannot be continued or completed due to loss of or damage to the insured vehicle for which the company has accepted liability under Sub Section A under this Section.

This cover does not include emergency accommodation cover in the event of mechanical or electrical breakdown of the vehicle.

17. Post-Trauma Counselling

The Company will indemnify the Insured for the cost of treatment of any principal, partner, director or employee of the Insured undergoing treatment by a registered psychologist as a result of his/her having been psychologically traumatized as a direct result of an insured event under this Section. The Company's liability in respect of any one claim or series of claims arising from any one event will be limited to R2,500 per person with a maximum limit of R25,000 per event.

18. Damage to Tyres

(Applicable to Tractors, Combines and Agricultural Implements Only)

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

provided that:

- (a) the Insured shall at their own expense have all damage and wear assessed by one or more reputable tyre dealer to assess whether or not the tyre can be repaired;
- (b) the corresponding, undamaged tyre in the set of tyres will also enjoy cover, but only if the vehicle manufacturer deems it necessary or required;
- (c) the insured shall be responsible for the first amount payable of 10% of claim, min R500 in respect of each and every loss;

- (d) wear and tear at the time of the loss or damage is not covered in terms of this extension
- (e) the limit of the Company is limited to R30,000 any one claim or the amount stated in the Schedule.

19. Passenger Liability – Employees

(If stated in the Schedule to be applicable)

The Company will indemnify the insured in terms of Sub-section B for death of or bodily injury to a full time employee of the Insured being carried in or upon, entering or getting on to or alighting from any vehicle insured in terms of this section as described in definition of vehicle (a), (b) and (g),

provided that:

- (a) the driver of the vehicle is duly authorised and holds a valid driver's licence in terms of licencing laws to operate such a vehicle,
- (b) for commercial and light delivery vehicles (LDV's) defined as (a) under Vehicle Definitions, the vehicle must be fitted with railings on all sides of the load area,
- (c) for vehicles defined as (b) under Vehicle Definitions, cover is limited to a permanent enclosed passenger carrying compartment of such vehicle,
- (d) for vehicles defined as (g) under Vehicle Definitions, the vehicle must be fitted with railings on all sides of the load area,
- (e) the insurer's liability is limited to R50,000 per employee and R500,000 any one occurrence.

20. Bereavement Expenses

The Company will pay R5,000 for funeral cost following a motor accident resulting in the death of the driver of motor vehicle defined as (a) stated in the schedule and insured for comprehensive purposes

21. Combine Corn Head and Cutting Platform

The insurer will indemnify the insured in terms of Sub-Section A and B for loss of or damage to combine corn heads and cutting platforms whilst attached to any insured combine or whilst temporary removed from any insured combine,

provided that:

said corn head and cutting platform is not attached to any uninsured combine.

Memoranda

1. Premium Adjustment Clause

If this Section is issued on a non-specified vehicle basis, the Insured shall submit to the Company at the end of each period of insurance or if a monthly policy, each period of 12 consecutive months from the inception or anniversary date, a declaration of the total number of vehicles owned, hired or leased at such expiry date. The Company shall, upon receipt of this declaration, make a premium adjustment of 50% of the annual rate per vehicle applied to the difference in the number of vehicles at inception or renewal and the number declared.

2. War Clause

In respect of Sub-Sections B and C only, General Exception 1 is deleted and replaced by the following:

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

3. Description of Use Clause

Use for social domestic and pleasure purposes and use for the business or occupation of the Insured,

excluding:

hiring, carriage of passengers for hire or carriage of fare paying passengers, racing, speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry, or use for any purpose in connection with the motor trade.

The indemnity to the Insured in connection with any vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purposes of its overhaul, upkeep or repair.

Optional Limitations

Third Party Only

(If stated in the Schedule to be applicable)

Sub-Sections A and C are cancelled.

Third Party, Fire and Theft Only

(If stated in the Schedule to be applicable)

The liability of the Company under Sub-Section A is restricted to Damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat. Furthermore, Sub-Section C is cancelled.

Specific Exceptions

1. The Company shall not be liable for any accident, injury, loss, damage or liability:
 - (a) while the vehicle is being used with the general knowledge and consent of the Insured otherwise than in accordance with the description of use clause;
 - (b) incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique, but the Company will indemnify the Insured against Damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit;
 - (c) incurred while any vehicle is being driven by:
 - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than him/herself) or while not licensed to drive such vehicle;
 - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than him/herself) or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of their business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles,

provided that any driver shall be deemed to be licensed to drive the vehicle if s/he is complying with the licensing laws relating to any of the territories referred to under Specific Exception (b), or if non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal or, if a licence is not required by law, while such driver is learning to drive and is complying with the laws relating to learner drivers.

2. Notwithstanding anything to the contrary in Specific Exception1 of this Section, it is hereby declared and agreed that;
 - (a) All benefits under this policy shall be forfeited if any vehicle, at the time of any accident giving rise to a claim in terms of the policy, is found not to be in possession of a valid Roadworthy Certificate and or Operators Card, or any driver is not in possession of a valid Public Roads Driving Permit (PDP/PA) in terms of the Road Traffic Act or licensing laws relating to any of the territories.
 - (b) Warranted that any vehicle's in connection with which insurance is granted under this policy, or any part hereof or any trailer attached thereto or forming part of a train of trailers drawn thereby or any part of such trailer or trailers (all of which are here referred to as the "insured vehicle" complies in all respects with the requirements of roadworthiness as set out in the Road Traffic act, or any provincial or local proclamation or statute which is applicable to the insured vehicle, failing which no benefit shall be payable under this policy, whether or not the vehicle's lack of roadworthiness was a cause or contributed to the occurrence giving rise to such a claim.
 - (c) This exception does not apply to vehicles not required by law as stated above to be in possession of a road worthy certificate.
3. The Company shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.

Special Conditions

1. Roadworthiness

The Company shall not be liable under this Section of the policy for any Damage or liability arising directly from any vehicle which does not comply with the provisions and regulations of any National Road Traffic Act, or any other applicable legislation and / or regulations providing for the use of motor vehicles on a public roadway in the countries as per the territorial limits stated in the Schedule, unless such non-compliance is as a direct result of an accident indemnifiable hereunder.

2. Driver / Driver's Licence – Qualification

If, during the currency of this Section, any driver's licence in favour of the Insured or their authorized driver is endorsed, suspended or cancelled, or if he, she or they shall be charged with or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Company immediately so that the Insured have knowledge of such fact.

3. Spare Parts Clause

If, in the event of a valid claim under this section, any part, accessory or fitment is unprocurable in the republic of South Africa or Namibia as a standard, ready-manufactured article, the liability of the company shall be limited to a sum equal to the value of such part at the time of the damage, but not in any case exceeding the maker's latest list price of such part, plus the reasonable cost of freight other than by air,

provided that the indemnity provided in terms of this clause shall not increase the company's liability as set out in Proviso (1) to the defined events in Sub-section A.

Subject Otherwise To The Terms, Conditions And Exceptions Of The Policy.

MOTOR SECTION – B

Definitions

1. Irrigation System

For the purposes of this insurance, a centre pivot or irrigation system will include the following;

- (a) full set of towers;
- (b) centre point (hub) and truss;
- (c) overhang;
- (d) tyres on each tower and all other equipment that is attached to the towers, as well as;
- (e) power unit/control panel at the centre point;

But will exclude the following;

- (i) pumps, whether they are used exclusively for the pivot or not;
- (ii) power cable extensions, either above or underground, from the centre point to the public supply;
- (iii) any power unit/power point that does not form part of the towers or are attached to the centre point.

2. Occurrence

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

Sub-Section 1: Fire

Defined Events

Damage to the whole or part of the irrigation equipment described in the Schedule by;

- 1. fire;
- 2. lightning or thunderbolt;
- 3. explosion;
- 4. such additional perils as stated in the schedule to be included,

provided that:

The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum stated in the schedule.

If such irrigation system is disabled by reasons of any loss or damage insured hereby, the insured may give instructions for repairs to be executed without the previous consent of the company to the extent of but not exceeding R5,000 over and above the amount of the First Amount Payable for which the insured is responsible under this section, provided that a detailed estimate is obtained and immediately forwarded to the Company.

Specific Exceptions

1. This section does not cover earthquake (whether arising from mining operations or otherwise) unless added as an additional peril, volcanic eruption or other convulsion of nature (other than subterranean fire).

This section does not cover any damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be damage which is not covered by this insurance, except to the extent that the insured shall prove that such damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where the insurer alleges that, by reason of this exception, any damage is not covered by this insurance, the burden of proving the contrary shall rest on the insured.

2. Unless specifically included, this insurance does not cover;
 - (i) damage to property occasioned by its undergoing any heating or drying process;
 - (ii) damage to property which at the time thereof is insured by or would, but for the existence of this insurance, be insured by any marine policy(ies), except in respect of any excess beyond the amount that would have been payable under the marine policy(ies) had this insurance not been effected.

Specific Conditions

Additional Perils

It is understood and agreed that in respect of each additional perils extension included in this insurance;

- (a) all the exceptions and conditions applicable to this insurance shall apply as if they had been incorporated therein;
- (b) for the purposes thereof any damage insured shall be deemed to have been caused by fire.

Earthquake Extension

Damage caused by earthquake but excluding damage to property in the underground workings of any mine.

Special Perils Extension

Damage caused by;

1. Storm, wind, water, hail or snow excluding damage to property;
 - (a) arising from its undergoing any process necessarily involving the use or application of water,
 - (b) caused by tidal wave originating from earthquake or volcanic eruption

2. aircraft and other aerial devices or articles dropped therefrom,
3. impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

This extension does not cover;

1. wear and tear or gradual deterioration;
2. damage caused or aggravated by
 - (a) subsidence or landslip;
 - (b) the insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.

Malicious Damage Extension

Damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such Damage, other than Damage to:

1. movable property which is:
 - (a) stolen;
 - (b) damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;
2. moveable or immovable property which is damaged by thieves while breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured;
3. immovable property owned or occupied by the Insured occasioned by or through or in consequence of:
 - (a) the removal or partial removal or any attempt thereof;
 - (b) the demolition or partial demolition or any attempt thereof;the said immovable property or any part/s thereof with the intention of stealing any part/s thereof,

provided that this Extension does not cover:

- (a) Damage related to or caused by Fire or Explosion;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) Damage resulting from total or partial cessation of work, or the retarding, interruption or cessation of any process or operation;
- (d) Damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A) (i), (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

Sub-Section 2: Accidental Damage

Defined Events

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

If such irrigation system is disabled by reasons of any loss or damage insured hereby, the insured may give instructions for repairs to be executed without the previous consent of the company to the extent of but not exceeding R5,000 over and above the amount of the First Amount Payable for which the insured is responsible under this section, provided that a detailed estimate is obtained and immediately forwarded to the Company.

Specific Exceptions

The insurer shall not be liable for;

- (a) the first amount payable;
- (b) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process;
- (c) loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
- (d) loss of or damage to insured property caused by;
 - (i) any fraudulent scheme, trick, device or false pretence practised on the insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the insured;
 - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;
 - (iii) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
 - (iv) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;
 - (v) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light;
 - (vi) denting, chipping, scratching or cracking not affecting the operation of the item;
- (e)
 - (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from their container;
 - (ii) loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
- (f) loss or damage following, drought, shortage of fuel or water or the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to damage to property of such authority;
- (g) damage to tyres as a result of cuts and burst, but excluding damage to tyres as a result of sudden and unforeseen impact with a concealed object whilst on the land or any other surface, the maximum liability of the company in respect of any one event shall not exceed R5,000;

- (h) wear and tear, mechanical, electronic or electrical breakdown failures and breakages, consequential loss as a result of any cause whatsoever, but will not exclude the consequential loss or damage to other parts of such equipment.

Memoranda

Sum Insured

It is a requirement of this insurance that the Sum Insured shall at all times be equal to the cost to the new replacement value of each and every item of Equipment including freight and other delivery charges, taxes, dues and customs duties and repair costs and/or erection costs.

Average

If, on the occurrence of an insured event, the value of the insured property is greater than the sum insured thereon the insured shall be considered his own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

Extensions

Fire Extinguishing Charges

Any costs (not exceeding R10,000) relating to the extinguishing or fighting of Fire shall be deemed to be Damage to the insured vehicle and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided that the Insured is legally liable for such costs and the insured vehicle was in danger from the Fire.

Wreckage Removal

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following Damage to such vehicle, provided that, in addition to the limit of indemnity under Sub-Section A of this Section, the limit of the Company's liability under this Extension shall not exceed, in respect of any one occurrence, the amount of R5,000 or the limit stated in the Schedule, whichever is the greater.

Sub-Section 3: Liability to Third Parties

Defined Events

Any accident caused by or through or in connection with any item insured in terms of Sub-Sections I or II in respect of:

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

The company will also, in terms of and subject to the limitations of and for the purposes of this sub-section, pay all costs and expenses incurred with the company's written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this sub-section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this sub-section, provided that the total of the company's liability under this sub-section shall not exceed the limit of indemnity of R2,500,000.

Exceptions To Sub-Section 3

The company shall not be liable under this sub-section in respect of;

- (a) any claim arising from contractual liability, unless such liability would have attached to the insured notwithstanding such contractual agreement;
- (b) any consequential loss;

ELECTRONIC EQUIPMENT SECTION

Sub-Section A: Material Damage

Defined Events

Physical loss of or damage (hereinafter in this Section referred to as Damage) to the property insured described in the Schedule from any cause not hereinafter excluded while:

- (a) at work or at rest, or while being dismantled for the purpose of cleaning, inspection or overhaul or in the course of these operations or during subsequent reassembly, anywhere within the Insured's premises as specified;
- (b) in transit including loading and unloading or while temporarily stored at any premises en route;
- (c) temporarily removed from the Insured's premises to any other location within the territorial limits, but world-wide in respect of laptops, palmtops and similar portable electronic equipment declared to the Company.

Exceptions to Sub-Section A

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

- 1. the first amount payable as stated in the Schedule in respect of Sub-Section A, of each and every occurrence giving rise to a claim. Where more than one item of property insured suffers Damage in any one occurrence, the first amount payable shall be the highest single amount applicable to such property insured;
- 2. derangement, unless accompanied by Damage otherwise covered by this section;
- 3. Damage recoverable in terms of any maintenance and/or leasing agreement effected by or on behalf of the Insured covering the insured equipment;
- 4. faults or defects known to the Insured (or their responsible employees) at the time this insurance was arranged or during the currency of the insurance and not disclosed to the Company, or any consequences thereof;
- 5. wastage of material or the like or wearing out of any part of the property insured caused by or naturally resulting from ordinary usage or working or other gradual deterioration, development of poor contacts or scratching, of a cosmetic nature, of painted or polished surfaces;
- 6. parts having a short life such as (but not limited to) bulbs, valves, contacts, x-ray tubes, cathode ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. If such parts are damaged as a result of Damage to other parts of the property insured, the Company shall indemnify the Insured for the residual value prior to the loss of such exchangeable parts;

7. the cost of reproducing data and/or programs whether recorded on cards, tapes, discs or otherwise, unless specifically provided for in Sub-Section B hereof;
8. loss of use of the property or other consequential loss, damage or liability of whatsoever nature other than Damage specifically provided for herein;
9. (a) loss by theft or by disappearance of the property insured unless accompanied by forcible and violent entry into or exit from the insured premises/situation;
- (b) loss of the property insured by theft during transit or whilst temporarily removed from the insured premises unless identifiable by the Insured with a specific incident which has been immediately reported to the police and the Company.

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

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

provided that:

(c) and (d) above shall not apply to theft of the property insured where the transport vehicle:

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

Where Portable Electronic Equipment (Such as Laptops/Notebooks, I-Pads, Tablets, Projectors, Printers and similar portable electronic equipment) is specifically insured on an All Risks Basis (If Stated in the Schedule), Exception 9 is amended to read as follows;

9. (a) loss by theft or disappearance of electronic equipment (except portable electronic equipment {excluding cellular cellphones}) unless accompanied by forcible and violent entry or any attempt thereat or following violence or threat thereof from the insured premises stated in the schedule.
- (b) theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or employee of the insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry into or exit from such vehicle or building, as the case may be.

Basis of Indemnification

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

1. Partial Loss

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

- (a) the value of damaged parts which can be used will be deducted;
- (b) the costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this Sub-Section;

- (c) if, without the consent of the Company, temporary repairs are carried out by the Insured in the interests of safety or to minimize further Damage to the property insured, the cost of such temporary repairs will be borne by the Company. In the event that the temporary repairs aggravate the loss or cause additional Damage to the property insured, any additional costs so incurred or consequences arising therefrom will be for the account of the Insured;
- (d) where Damage is restricted to a part or parts of an insured item, the Company shall not be liable for an amount greater than the value of such damaged part or parts allowed for within the sum insured.

2. Total Loss

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

provided always that:

- (i) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured, (subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch, otherwise no payment shall be made which exceeds the market value of the property insured immediately before the Damage;
- (ii) until expenditure has been incurred by the Insured in replacing or reinstating the property insured, the Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
- (iii) these Conditions shall be without force or effect if:
 - (a) the Insured fail to intimate to the Company within 6 months of the date upon which the Damage occurred (or such further time as the company may in writing allow) their intention to replace or reinstate the property insured;
 - (b) the Insured are unable or unwilling to replace or reinstate the property insured on the same or another site;
- (iv) at the sole option of the Company, following commercial and technical appraisal by a representative of the Company, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of period being admitted by memorandum to this policy.

Definition of New Property insured

- (a) New property shall mean property purchased no more than 7 years (or such extended period as may be approved by the company in writing) prior to the Damage, it being expressly agreed that, in applying this definition, upgrades and enhancements will be taken into account in arriving at an indemnifiable amount and the age of the property insured.
- (b) In respect of property insured not provided for in (a) above, the basis of indemnification shall be the market value of the property insured immediately before the Damage. At the option of the Company, the property insured shall be regarded as totally destroyed if the repair costs as defined in (1) above equal or exceed its market value immediately before the Damage.

Definition of Market Value

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

- (i) 20% for the first year after the date of purchase;

and

- (ii) 10% per year for each succeeding year subject always to a minimum indemnity of 40% of the current new replacement value of the nearest equivalent property.

Average

In respect of (1) and (2) above, if, at the time of repair, replacement or reinstatement, the sum representing the cost which would have been incurred in repair, replacement or reinstatement if the whole of the property insured had been damaged, exceeds the sum thereon at the time of any damage to such property, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

Each item of this Section (if more than one) to which these conditions apply shall be separately subject to this provision.

Limit of Liability

The amount of the Company's liability shall not exceed, in respect of any of the items specified in the Schedule, the sums Insured set opposite thereto and, in addition thereto, the following:

1. Architects' and other professional fees

Professional fees necessarily and reasonably incurred in the repair or reinstatement of property following indemnifiable Damage, provided that the amount payable in respect of such fees does not exceed 15% of the total amount of the claim, but shall not include expenses incurred in connection with the preparation of the Insured's claim.

2. Clearance costs

Costs necessarily and reasonably incurred by the Insured in respect of demolition or dismantling of property and/or removal of debris and in providing, erecting and maintaining hoardings and other similar structures required during demolition, dismantling, debris removal and reconstruction following Damage to such property, provided that the total amount recoverable does not exceed 15% of the total amount of the claim.

3. Express delivery and overtime

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

Clauses and Extensions

1. Power Surge or Lightning Strikes

All Damage to the property insured by power surges or lightning strikes will be subject to an additional excess of 20% of the net amount payable for the items so Damaged subject to a minimum of R2,000 or the amount stated in the Schedule, whichever is the greater. However, should the property insured be appropriately and adequately protected by suitable safeguards against electrical supply fluctuations, then this additional excess will be waived.

2. Fire Brigade Charges

If any public authority empowered to do so shall charge the Insured with any costs arising from their activities in dealing with the consequences of Damage having occurred, such costs will be deemed to be Damage to the Property insured and will be payable in addition to any other payment for which the Company may be liable in terms of this insurance.

3. Tenants

This insurance will not be invalidated by any act or neglect on the part of a tenant of the Insured (where the Insured owns the building) or another tenant or the owner of the building (where the Insured is a tenant) provided that the Insured notifies the Company as soon as such act or neglect comes to their knowledge and pay on demand the appropriate additional premium.

4. Hire Purchase / Finance Agreements

Where the Company has knowledge of the property insured or any individual item thereof being the subject of a suspensive sale or similar agreement, payment hereunder shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of Damage indemnifiable by this Sub-Section of the policy, provided that the Company shall pay to such owner no more than is due in order to settle any balance due in terms of such agreement, and shall pay the balance to the insured.

Sub-Section B: Consequential Loss

Defined Events

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

1. Increased cost of working

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured during the indemnity period in consequence of the Damage for the sole purpose of avoiding or diminishing the interruption of or interference with the normal business of the Insured,

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of the Damage.

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

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

The indemnity by this Item shall, in respect of any one occurrence, be limited to R20,000 or the amount stated in the Schedule, whichever is the greater, less a first amount payable of 10% of the claim, minimum R1,500 or the amount stated in the Schedule, whichever is the greater.

2. Reinstatement of data/programs

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

provided always that:

- (a) the indemnity shall not extend to nor include such costs incurred due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes;
- (b) in respect of each and every occurrence or series of occurrences arising out of or in connection with any one event indemnifiable by this item, the Insured shall bear the amount stated in the Schedule as the first amount payable;
- (c) where the Insured elects to insure programmes (software), a schedule of such programmes shall be lodged with the Company at the commencement of each period of insurance;
- (d) the indemnity by this Item shall be limited to R20,000 or the amount stated in the Schedule, whichever is the greater, less a first amount payable of 10% of claim, minimum R1,500 or the amount stated in the Schedule, whichever is the greater.

3. Additional Increase in Cost of Working

The insurance under this item is limited to additional expenditure necessarily and reasonably incurred with the consent of the Company, which consent shall not be unreasonably withheld, by the Insured in excess of that recoverable under item (i) above in consequence of Damage, for the sole purpose of maintaining the normal operation of the business during the indemnity period, provided that the liability of the Company shall not exceed the Sum Insured shown in the Schedule for this Item.

Definitions

1. Indemnity Period

The Period During Which The Results Of The Business Shall Be Affected In Consequence Of Damage, Beginning The Number Of Hours/Days Detailed In The Schedule As The Time Exclusion, After The Commencement Of The Damage And Ending Not Later Than The Expiry Of The Period Detailed In The Schedule As The Indemnity Period.

The Time Exclusion Shall Not Apply To Damage Directly Caused By Fire, Storm (Excluding Lightning), Subsidence, Wind Or The Collapse Of Buildings.

2. Accident

- (a) Applicable to Increased Cost of Working and Additional Increased Cost of Working only

Physical loss of or damage to the property insured described in the Schedule from any cause as provided for under Sub-Section A of this policy, liability under which Sub-Section shall, except for the provisions relating to the first amount payable or the maintenance/lease agreements, be a condition precedent to liability hereunder.

- b) Failure of the public supply of electricity at the terminal ends of the service feeders in the premises from any accidental cause other than:
- (i) the deliberate act of the Insured or any supply authority;
 - (ii) drought or shortage of fuel at any electricity utility.

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

- (i) The liability of the Company shall not exceed the sum insured by this Sub-Section.
- (ii) The indemnity period shall commence 12 hours after the failure and end not later than 30 days after such failure.

3. The Limit Of Liability

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

In the event of payment by the Company of any sum or sums in discharge of the Company's liability in terms of this Sub-Section, the sum(s) insured shall automatically be reinstated for the remainder of the current period of insurance, in respect of which the Insured shall pay to the Company the additional premium required by the Company calculated pro rata from the day of the Damage to the end of the period of insurance.

Specific Exceptions To Sub-Section B

Unless specifically provided for:

1. Fines and damages:

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

2. Loss of profit:

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

Clauses and Extensions

1. Reinstatement

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

- (a) the Insured being unable or unwilling to replace or reinstate property Damaged, or failing to carry out such replacement or reinstatement within a reasonable time; or
- (b) addition, alteration or improvements being affected to the property insured on the occasion of its repair,

the Company's liability under this Section shall be related solely to the business interruption which would have arisen in the absence of (a) and (b).

2 Telecommunication Access Lines

Subject to the limits specified in the Schedule, consequential loss as provided for under Defined Events (i) and (ii) of Sub-Section B arising from accidental failure of the Telecommunication access lines is included, provided always that the insurance under this Extension shall be subject to the special conditions below.

Special conditions applicable to Telecommunication access lines

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

General Memoranda

Memo 1: Capital Additions and Currency Fluctuations

The indemnity by this Section shall include:

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

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

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

provided that the increase shall not exceed, by more than 25%, the total sum insured for Sub-Section A specified in the Schedule, it being agreed that the Insured will advise the Company of such alterations at the expiry of the period of Insurance or 12 consecutive months from the inception date or anniversary date, and pay the appropriate premium thereon but not exceeding 50% of the difference.

Memo 2: Prevention of Access

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

provided that:

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

Special Exception (Sub-Sections A and B)

Viruses, Trojans and worms

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

General Clauses and Extensions

1. Incompatibility Cover

Notwithstanding anything contained to the contrary in the policy, the indemnity by Sub-Sections A & B of this Section shall include costs necessarily and reasonably incurred by the Insured in respect of:

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

provided always that:

- (i) the cover afforded hereunder shall be restricted to:
 - (a) parts or components of the electronic system which are not indemnifiable under Sub-Section A hereof;
 - (b) programmes or data reinstated not indemnifiable under item (ii) of Sub-Section B hereof;

- (iii) the indemnity by this Extension shall, in respect of any one event, be limited in the aggregate to 20% of the sum insured of the damaged items under Sub-Section A and Sub-Section B - Item (ii) hereof or R25,000, whichever is the lesser.

2. Burglar Alarm Warranty

In respect of any premises stated in the Schedule as being subject to a burglar alarm warranty, it is hereby warranted that:

1. where the installed alarm is a SAIDSA Approved (Pty) Ltd certified alarm:
 - (a) the Company will be entitled to request full information in respect of the relevant arming, disarming and monitoring log report after the occurrence of a loss;
 - (b) Damage to the property following the use of any key, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured is not covered unless such key, keypad code, remote control or any duplicate thereof has been obtained by violence or threat of violence to any person or such key, keypad code or remote control was obtained by theft;
2. where the installed alarm is not a SAIDSA Approved (Pty) Ltd certified alarm:
 - (a) the said alarm is to be a radio-controlled and/or telephone-linked monitoring alarm where available (for the purposes of this requirement, monitoring shall mean that, once the alarm is triggered, a signal will be transmitted to the control room which includes a 24-hour armed reaction or response unit);
 - (b) it is also a requirement that such alarm system include anti-tampering measures which will log such events including, but not limited to, power cuts and the like;
 - (c) if the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available;
 - (d) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and, after the occurrence of a loss, the Company will be entitled to request full information in respect of the arming, disarming, testing and monitoring log report;
 - (e) the burglar alarm installed at the premises shall be set and armed and made fully operational whenever the premises are not open for business, unless a principal, partner, director or employee of the Insured is on the premises;
 - (f) such alarm will be maintained in proper working order and tested at least once a month, but the Insured shall be deemed to have discharged their liability in this regard if they have maintained the obligations under a maintenance contract with the suppliers or servicing engineers of the alarm system;
 - (g) Damage to the property following the use of any key, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured is not covered unless such key, keypad code, remote control or any duplicate thereof has been obtained by theft or by violence or threat of violence to any person.

3. Lightning and Power Surge Protection Warranty

(If stated in the Schedule to be applicable)

It is a condition precedent to liability under this Section of the policy that:

- (a) power surge protection is installed in the insured equipment in accordance with SANS 0142 Code of Practice;
- (b) any Local Area Computer Network has uninterrupted power supply (UPS) equipment installed, having its own surge protection and that such surge protection equipment is installed in accordance with SANS 0142 Code of Practice.

4. Non-forcible and violent entry into vehicle extension

(if stated in the Schedule to be included)

Specific exception 1 (a) shall not apply to goods in the cab or boot of the vehicle where the insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that;

1. the police case number is supplied to the Company;
2. this extension shall only apply to property that is separately and individually specified in the schedule;
3. the liability of the company is restricted to R 10,000 less the first amount payable as stated in the schedule in respect of any one event.

MACHINERY BREAKDOWN SECTION

Defined Events

Sudden and unforeseen fortuitous physical damage to the insured property (or any part thereof) while on the premises from any cause not specifically excluded while at work or at rest or being dismantled for the purpose of cleaning, inspection, repair, overhaul or removal to another position within the premises or in the course of these operations and subsequent re-erection by, but not restricted to;

defects in casting, defects in material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit or from any other cause not specifically excluded in terms of any exception that is applicable to this policy as a whole or this Section in particular that necessitates repair or replacement of the insured property,

provided always that this insurance shall apply to the insured property only after successful completion of its performance acceptance tests whether it is at work or rest, or being dismantled for the purpose of cleaning or overhauling, or in the course of these aforesaid operations, or when being shifted within the premises, or during subsequent re-erection.

Increased Cost of Working

The additional expenditure necessarily and reasonably incurred as a direct consequence of the damage (including costs incurred in obtaining alternative storage facilities for the Insured property) wholly and exclusively incurred for the purposes of preventing or minimising damage to the Insured property but not exceeding the amount stated in the Schedule.

Basis of Indemnity

1. Partial Loss

Where damage to the insured property can be repaired, the Company will pay the expenses necessarily incurred to restore the damaged insured property to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs, as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent that such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the Insured, the Company shall pay the costs of materials and wages incurred for the purposes of the repairs plus a reasonable percentage to cover overhead charges. No deduction shall be made for depreciation in respect of the parts replaced, but the value of any salvage shall be taken into account. If the cost of repairs equals or exceeds the actual value of the insured property immediately before the occurrence of the damage, the property shall be regarded as destroyed and settlement shall be made on the basis provided for in (2) below.

2. Total Loss

- (i) If equipment not exceeding 3 years from date of manufacture is totally damaged, the basis of calculating the amount payable shall be the cost of replacing or reinstating the equipment with equipment of the same kind or type but not superior to or more extensive than the insured equipment when new, including freight and erection costs, customs duties and the cost of removing the destroyed equipment, less the value of the remains subject to provisos (a), (b) and (c) below.
- (ii) If equipment exceeding 3 years from date of manufacture is totally damaged, the basis of calculating the amount payable shall be the cost of replacement at market value and the cost of removing the destroyed equipment less the value of any salvage subject to provisos (a), (b), (c), (d) and (e) below.

The insured item shall be regarded as totally damaged if the repair costs (as defined under partial loss) equal or exceed the value as defined in 2 (ii) above immediately before the insured event,

provided that:

- (a) the cost of any alterations, additions, improvements or overhauls carried out at the time of repair shall not be recoverable;
- (b) the cost of any provisional repairs shall be borne by the Company if such repairs constitute part of the final repairs and do not increase the total cost of repairs;
- (c) the Company shall make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be;
- (d) the work of replacement or reinstatement (which may be carried out at other premises and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made;
- (e) in either Basis of Indemnity (1) or (2), the amount claimable shall not exceed the amount specified in the Schedule.

Sum Insured and Average

It is a requirement of this Section that the sum insured is equal to the cost of replacement of the insured property by new property of the same kind and capacity, which means its cost of replacement including freight, dues and customs duties, if any, and cost of erection. If the sum insured is less than the amount required to be insured, the Company shall pay only in such proportion as the sum insured bears to the amount required to be insured. Every item, if more than one, shall be separately subject to the foregoing stipulation.

Definitions

For the purposes of this Section, the following expressions mean:

“Insured property”

the property described in the Schedule of this Section under the heading “Description of insured property”.

“premises”

the premises, the situation of which is stated in the Schedule of this section.

Specific Exceptions

The Company shall not be liable for:

1. the first amount payable, stated in the Schedule, to be borne by the Insured in respect of any one occurrence. If more than one item is lost or damaged in any one occurrence, the Insured shall not, however, be called upon to bear more than the highest single first amount payable applicable to such items;
2. loss of or damage to exchangeable tools (for example, dies, moulds, engraved cylinders), parts which by their use and/or nature suffer a high rate of wear or depreciation (for example refractory linings, crushing hammers) objects made of glass, belts, ropes, wires, rubber tyres, and operating media (for example lubricants, fuels, catalysts);
3. loss or damage due to fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft, burglary or attempt thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;
4. loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract;
5. loss or damage caused by any faults or defects existing at the time of commencement of this Section within the knowledge of the Insured or their representatives, whether or not such faults or defects were known to the Company;
6. loss or damage as a direct consequence of the continual influence of operation (for example wear and tear, cavitation, erosion, corrosion, rust, boiler scale);
7. consequential loss or liability of any kind or description;
8. loss or damage resulting from experiments, overloads, tests or overhauls requiring the imposition of abnormal conditions;
9. loss or damage arising out of the wilful act or gross negligence of the Insured or their representatives;
10. loss of or damage to foundations, masonry or refractories, unless specifically stated in the Schedule to be included.

Specific Conditions

1. In the event of any material alteration in the risk undertaken by the Company, the Insured shall, as soon as possible, give notice in writing to the Company. The premium, terms and conditions shall thereupon be subject to adjustment accordingly. Any claim in respect of loss or damage that may arise before such notice is given, shall be handled in accordance with the Company's normal conditions, exceptions and first amount payable for risks of a similar nature, subject to the Insured agreeing to pay any increased premium that may be required in respect of the altered risk.
2. (a) On the happening of any loss or damage, the Insured shall, in addition to complying with General Condition 6 of this policy,
 - (i) take all reasonable steps to minimise the extent of such loss or damage;
 - (ii) preserve any damaged or defective parts for inspection by the Company.
- (b) Upon notification being given to the Company in terms of General Condition 6 of this policy, the Insured may carry out the repairs or replacement of any minor damage. In all other cases, a representative of the Company shall have the opportunity of inspecting the loss or damage before any repairs or replacement or alterations are effected. If a representative of the Company does not carry out the inspection within a period of time which could be considered adequate under the circumstances, the Insured is entitled to proceed with the repairs or replacement.

- (c) The liability of the Company under this Section in respect of the insured property shall cease if such insured property is kept in operation after the occurrence of a Defined Event without being repaired to the satisfaction of the Company, or if temporary repairs are carried out without the Company's consent.
3. The Insured shall, in addition to complying with General Condition 5 of this policy,
- (a) enter into and maintain an agreement with the suppliers and/or manufacturers of the insured property for the maintenance and ongoing performance of such property. In the event that such agreement is not possible, the Company's consent must be obtained in writing, failing which there shall be no cover in terms of this Section;
 - (b) notwithstanding clause (a) above, take all reasonable steps to:
 - (i) maintain the insured property in efficient working order and to ensure that no part of the insured property is habitually or intentionally overloaded;
 - (ii) fully observe the manufacturer's/agent's instructions for the operation, inspection and maintenance of the insured property and observe government regulations, statutory regulations, municipal regulations and other binding regulations in force concerning the operation and maintenance of the insured property.

Clauses and Extensions

Overtime, Night Work, Work on Public Holidays and Express Freight

The insurance under this Section covers extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight),

provided that such extra charges are incurred in connection with damage to the insured property recoverable under this Section,

provided further that the amount payable in respect of this Extension shall not exceed the sum insured set opposite the applicable item and not exceeding in all the total sum insured stated in the Schedule of this Section.

Capital Additions

This Section covers alterations, additions and improvements (but not appreciation in value in excess of the sum insured) to the insured property for an amount not exceeding 20% of the sum insured under the applicable item, it being understood that the Insured undertake to advise the Company each quarter of such alterations, additions and improvements and pay or agree to pay the additional premium thereon.

DETERIORATION OF STOCK

Defined Events

Physical loss of or damage (hereinafter in this Section referred to as Damage) to the insured property specified in the Schedule caused by deterioration due to unforeseen damage to the machinery specified in and indemnifiable under the Machinery Breakdown Section,

provided that the liability of the Company during any one 12-month period of insurance shall not exceed the limit of indemnity stated in the Schedule in respect of each item specified.

Specific Exceptions

The Company shall not be liable for:

1. Damage, within the no-claim period stated in the Schedule, to 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.

“No-claim period” is defined as the time period immediately following cessation of cooling during which, with the storage room left sealed, no deterioration would take place;

2. Damage to the goods stored arising as a result of shrinkage, inherent defects or diseases, natural deterioration or natural putrefaction;
3. Damage arising from improper storage, damage to packing material, insufficient circulation of air, non-uniformity of temperature;
4. Damage caused by temporary repair, carried out without the Company's consent, of the refrigeration machinery specified in the Insured's list of machinery;
5. penalties for delay, consequential loss or damage or liability of any nature whatsoever;
6. Damage directly or indirectly caused by, or arising out of, or aggravated by:
 - (a) the wilful act or wilful negligence of the Insured or their representatives;
 - (b) fire, lightning, chemical explosion, extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempt thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or other natural catastrophes.

Specific Conditions

This Section shall apply only if:

1. the refrigeration machinery is insured under an in-force Machinery Breakdown section;
2. the insured refrigeration machinery is connected to an automatic alarm system in an attended location;
3. the stock is not stored in "controlled atmosphere" chambers;
4. at the time of the Damage, the goods are stored in the refrigeration chambers;
5. the Insured maintains, on a daily basis, a stock book in which the type, quantity and value of the goods stored at the beginning and the end of the storage period are entered separately for each refrigeration chamber;
6. the sum insured is equal to the estimated maximum selling price obtainable for the stored goods during the period of this Section. The Insured shall be obliged to furnish the Company not later than 10 days after the close of each month either with copies of the aforesaid stock books or with a duly completed declaration showing the average quantity and value per day of the goods stored during the preceding month (monthly declaration).

The monthly declaration shall be based on the selling price obtainable for the goods.

Stock book copies and monthly declarations shall be regarded as forming an integral part of this policy.

The sum insured shall be reduced by any indemnity paid under this section for the remaining policy period unless it is reinstated by payment of a pro-rata additional premium, from the date of the insured loss or Damage for the remaining portion of the (annual) period of insurance;

7. all claims shall be settled on the basis of the value stated in the monthly declaration immediately prior to the occurrence of the Damage or the selling price that would have been obtainable, whichever is the lesser. When determining the indemnity, the Company shall 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 partial Damage, 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 the Insured shall be reduced in such proportion as the amount of the said last monthly declaration bears to the amount that ought to have been declared.

Warranties

It is hereby warranted that:

Automatic Alarm System

(If stated in the Schedule to be included)

the insured refrigeration machinery is, at all times, connected to an automatic alarm system in a controlled and permanently attended location.

Stock Book Warranty

(If stated in the Schedule to be included)

the Insured will maintain, on a daily basis, a stock book in which the type, quantity and value of the goods stored at the beginning and the end of the storage period are entered separately for each refrigeration chamber.

Constant Supervision

(If stated in the Schedule to be included)

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

Temperature Readings

(If stated in the Schedule to be included)

during the entire period of storage, the Insured records in a logbook the condition of the insured goods and at least 3 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.

Breach of any of the above warranties will result in the Company not being liable for any loss occurring.

MACHINERY BREAKDOWN BUSINESS INTERRUPTION SECTION

Defined Events

Interruption of or interference with the business of the Insured resulting from damage to machinery, as listed in the Schedule, used by the Insured at the premises for the purposes of the business, provided that,

- (a) payment shall have been made or liability admitted for the damage under the Machinery Breakdown Section, except in so far as a proviso may operate to exclude losses below a certain amount;
- (b) the liability of the Company shall in no case exceed the Sum Insured stated in the Schedule.

Definitions

For the purposes of this Section the following shall mean:

"Premises"

The premises, the situation of which is stated in the Schedule.

"Business"

The Insured's business as stated in the Schedule.

"Machinery and plant"

Machinery and plant described in the list under the heading "List of Machinery and Plant" in the Schedule.

"Accident"

Any sudden and unforeseen fortuitous physical damage to the machinery and plant necessitating its immediate repair or replacement, from any cause provided for under the Machinery Breakdown Section.

Specific Exceptions

This Section does not cover any loss or claim resulting from interruption of or interference with the business directly or indirectly attributable to any of the following causes:

1. loss of business due to causes such as suspension, lapse or cancellation of a lease, licence or order etc. that occurs after the date when the machinery and plant affected by an accident is again in operating condition and the business could have been resumed if the aforesaid lease, licence or order etc. had not been suspended, lapsed or cancelled;
2. the prolongation of any period of interruption of or interference with the business resulting directly or indirectly from the operation of:
 - (a) any gazetted law of any country within the territorial limits of the policy, including any exchange control regulation, directed against any other country;
 - (b) any law of a foreign country or international law directed against any country within the territorial limits of the policy;
 - (c) any economic sanctions, conventions, trade embargoes, boycotts, strikes or actions directed against any country within the territorial limits of the policy, other than occurring within the borders of these countries.

If the Company alleges that this clause is applicable by reason of any or all of stipulations (a), (b) or (c) above, the burden of proving the contrary shall rest on the Insured.

Specific Conditions

1.
 - (a) Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.
 - (b) The Insured shall, as soon as possible, notify the Company in writing of any material change in the risk and cause, at their own expense, such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.
2. Should, at any time after the commencement of this Section:
 - (a) the business be wound up or carried on by a liquidator, receiver, trustee or judicial manager or be permanently discontinued;
 - (b) the Insured's interest cease other than by death;
 - (c) any alteration be made or admitted by the Insured whereby the risk of accident is increased;
 - (d) the retention of standby or spare machinery or any other loss-minimising factors in existence when the insurance under this Section was effected, be reduced or discontinued or such stand-by or spare machinery not be maintained in an efficient working condition and available for immediate use;

then the insurance under this Section shall, notwithstanding anything contained to the contrary in General Condition 1 of this policy, cease unless and until the continuance of the insurance under this Section is confirmed in writing by the Company.

3. The Insured shall be obliged to keep complete records. All records (for example, but not limited to, inventories, production and balance sheets) for the three preceding years shall be held in safe-keeping or (as a precaution against their being simultaneously destroyed) the Insured shall keep separate sets of such records.

4. On the happening of any occurrence that may result in a claim under this Section, the Insured or their representatives shall, notwithstanding General Condition 6:
 - (a) immediately notify the Company by telephone, e-mail or facsimile of the aforesaid occurrence and send the Company written confirmation thereof within 48 hours of the aforesaid occurrence;
 - (b) do and concur in doing and permit to be done all such things as may be reasonably practicable to minimise or establish the extent of any interruption of or interference with the business or to avoid or diminish the loss resulting therefrom;
 - (c) as far as may be reasonable practicable, without causing any increase in the period of interruption or interference with the business, take precautions to preserve any things that might prove necessary or useful by way of evidence in connection with any claim;
 - (d) discontinue the use of any damaged machinery and plant unless the Company authorises otherwise. The Company shall not be liable in respect of any further interruption or interference with the business, arising out of the continued use of any damaged machinery and plant, without the Company having given its consent in writing to such use, until the aforesaid machinery and plant have been repaired to the satisfaction of the Company.
5. In the event of a claim being made under this Section, the Insured shall, notwithstanding General Condition 6, at their own expense, within 30 days from the expiry of the indemnity period (or within such further time as the Company may in writing allow), submit to the Company a written statement setting forth full particulars of the Insured's claim together with details of all other insurances covering the accident or any part of it or consequential loss (of any kind whatsoever) resulting therefrom. The Insured shall, at their own expense, also produce and furnish to the Company such books of account and other business books, documents, proofs, information, explanation and other evidence as may be reasonably required by the Company for the purposes of investigating or verifying the claim.
6. If, at the time of any accident resulting in a loss insured under this Section, there exists any other insurance effected by or on behalf of the Insured covering the same loss or any part thereof, the Company shall not be liable to pay or contribute more than its rateable proportion of any sum payable in respect of the whole of such loss, provided that the Company shall not be liable to pay for or contribute to any loss that is insured by or would, but for the existence of this Section, be insured by any business interruption or loss of profits or consequential loss policy or policies covering marine risks or fire and/or explosion risks.
7. The total amount of the indemnity provided under this Section shall be payable two weeks after the final determination of such amount. If, after the expiry of one month from the beginning of an interruption of or interference with the business, and after the expiry of each further month, it is possible to determine the minimum amount the Company is liable to pay in respect of the then elapsed period of the aforesaid interruption or interference, the Insured shall be entitled to demand that the aforesaid minimum amount be paid to them as an instalment in respect of the total amount of the indemnity provided under this Section,

provided that:

 - (a) the Company shall be entitled to postpone any payment:
 - (i) if, until the necessary proof is furnished, there is any doubt as to the Insured's right to receive payment;
 - (ii) if, as a result of any physical damage or any interruption of or interference with the business, any police or penal investigation has been initiated against the Insured, until the completion of such investigations.
 - (b) the Company shall not be liable to pay interest other than interest for default.
8. In the event of an accident to any machinery or plant that may result in a claim under this Section, the Company shall have the right to take over and control all necessary repairs or replacements.

9. On the happening of any occurrence in respect of which a claim is or may be made under this Section, the Company and every person authorised by it (without thereby incurring any liability and without diminishing the right of the Company to rely upon any other conditions of this policy) may enter any building where the loss has occurred and may take possession of or require that any of the machinery and plant be surrendered to it and may keep possession of and deal with such machinery and plant for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and licence of the Insured to the Company so to do. If the Insured or anyone acting on their behalf do not comply with the requirements of the Company or hinder or obstruct the Company during the aforementioned acts, then all benefit under this Section shall be forfeited.

Definitions

"Gross Profit"

The insurance under Item 1 of this Section is limited to loss of gross profit due to (a) reduction in turnover and (b) increase in cost of working, and the amount payable as indemnity thereunder shall be:

- (a) in respect of reduction in turnover - the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the damage, fall short of the standard turnover;
- (b) in respect of increase in cost of working - the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover that, but for that expenditure, would have taken place during the indemnity period in consequence of the damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided,

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the damage, provided that the amount payable shall be proportionately reduced if the sum insured in respect of item 1 of this Section be less than the sum produced by applying the rate of gross profit to the annual turnover.

For the purposes of the insurance under Item 1 of this Section, the expression "**gross profit**" used in this Section shall mean: the amount by which;

- (1) the sum of the value of the turnover and the value of the closing stock shall exceed;
- (2) the sum of the value of the opening stock and the amount of the specified working expenses.

"Stock"

The values of the opening and closing stocks shall be arrived at in accordance with the insured's normal accountancy methods, due provision being made for depreciation.

"Specified working expenses"

Those variable expenses of the business that are specified under the heading "Specified working expenses" in the Schedule of this Section.

"Turnover"

The money (less discounts allowed) paid or payable to the Insured for goods sold and delivered and for services rendered in the course of the business at the premises.

"Indemnity period"

The period, not exceeding the indemnity period stated in the column under the heading "Indemnity period limit" of the list under the heading "List of Machinery and Plant" in the Schedule, commencing with the occurrence of the damage during which the results of the business shall be affected in consequence of such damage, provided always that the Company shall not be liable for the amount of any loss arising during the time excess, such time excess to commence as from the beginning of the interruption of or interference with the business.

"Time excess"

The period stated in the column under the heading "Time excess" of the list under the heading "List of Machinery and Plant" in the Schedule.

"Rate of gross profit"

The rate of gross profit earned on the turnover during the financial year immediately before the date of the damage, to which such adjustments shall be made as may be necessary to provide for the trend of the business and of variations in or special circumstances affecting the business either before or after the accident or that would have affected the business had the accident not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results that would, but for the accident, have been obtained during the relative period after the accident.

"Standard turnover"

The turnover during that period in the twelve months immediately before the date of the accident that corresponds to the indemnity period, to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in or special circumstances affecting the business, either before or after the damage or that would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the result that, but for the accident, would have been obtained during the relative period after the accident.

"Annual turnover"

The turnover during the 12 months immediately prior to the date of the damage.

Other Premises

If, during the indemnity period, goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business, either by the Insured or by others on their behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover during the indemnity period.

Extensions and Clauses

1. Overhauls

In determining the amount payable as indemnity under this Section, due allowance shall be made for the time spent on any overhauls, inspections or modifications carried out during any period of interruption of or interference with the business.

2. Benefits After Recommissioning

If, during a period of 6 months immediately following the re-commissioning of the machinery and plant after damage, the Insured derives benefit from deferred sales or from increased production and/or profits as a consequence of an interruption of or interference with the business, such benefits shall be taken into account in determining the amount payable as indemnity under this Section.

3. Reinstatement of Sum Insured

For the period following the occurrence of damage up to the last day of any (annual) period of insurance, the sum insured under this Section shall be reinstated by payment of an additional premium on a pro rata basis, such additional premium to be calculated on that part of the aforesaid sum insured that corresponds to the amount paid as indemnity under this section. The sum insured shall, however, remain unaltered.

4. Return of Premium

If the Insured declares, at the latest 6 months after the expiry of any (annual) period of insurance, that the gross profit earned during the accounting period of 12 months most nearly concurrent with the aforesaid (annual) period of insurance, as certified by the Insured's auditors, was less than the sum insured thereon, a pro rata return of premium, not exceeding one third of the premium paid on such sum insured for such (annual) period of insurance, shall be made in respect of the difference. If any damage has occurred giving rise to a claim under this Section, the aforesaid return shall be made in respect only of so much of the aforesaid difference as is not due to such accident.

HOUSEOWNERS SECTION

Definitions

The insured property shall include the building(s) of the private dwelling house(s) and all private garages, domestic outbuildings and domestic apartments which are constructed of brick, stone or concrete and roofed with slate, tiles, metal, concrete or asbestos (unless otherwise stated) and situated as stated in the Schedule including all private tennis courts, private swimming pools (except portable swimming pools), swimming pool machinery, borehole machinery supplying water solely for domestic purposes, satellite dishes, boundary and other walls, gateposts, gates (including the machinery thereof), fences (other than hedges) and paved or surfaced areas (including driveways) of brick, concrete, asphalt or stone (but not gravel), water-tanks, dams and septic tanks, being on the same premises, and used solely for personal and private purposes, including all fixtures and fittings attached thereto including the public supply or mains connections as mentioned in General Extensions of this Section,

Defined Events

Loss of or damage (hereinafter in this Section termed Damage) to the whole or part of the insured property caused by any of the following perils:

1. Fire, lightning, explosion;
2. Storm, wind, water, hail, flood or snow, but excluding any loss of or damage to:
 - (a) any property arising from any process which necessitates the use or application of water unless by public authorities in extinguishing a fire;
 - (b) any property in the open (other than insured buildings, structures, plant and other items designed to exist or operate in the open;
 - (c) gateposts, gates, fences not constructed of stone, concrete or brick;
 - (d) retaining walls (unless specifically stated to be included);
3. Earthquake, earth tremor, volcanic eruption;
4. Impact by animals, trees (excluding falling trees whilst contractors are engaged in the felling thereof), aircraft, aerial devices, including articles dropped or falling therefrom, and vehicles, excluding damage to such animals, trees, aircraft, aerial devices or vehicles or property in or on such vehicles;
5. Leakage from or bursting or overflowing of water tanks, water apparatus or water pipes, or water- or oil-heating apparatus, including damage to such pipes or apparatus, including leakage from washing machines and dish-washers;

6. Theft or any attempt thereat, but excluding theft or any attempt thereat whilst the insured buildings are lent, let or sub-let in whole or in part unless such theft (or any attempt thereat) is accompanied by breaking into or out of the insured buildings by visible and forcible means,

provided that:
 - (a) if any building becomes unoccupied for more than 30 consecutive days, this item is suspended as regards the property affected, unless the Insured, before the occurrence of any Damage, obtains the written consent of the Company to continue cover;
 - (b) for the purposes of this defined event, the accommodation of paying guests, boarders or lodgers not exceeding three in number per dwelling shall not be deemed to be lending, letting or sub-letting of the insured buildings.
7. Breaking into or out of the insured buildings (or any attempt thereat) by visible and forcible means.
8. The collapse or breakage of or damage to radio or television aerials or masts and satellite dishes
9. Malicious Damage.

Extensions

Subject otherwise to the terms, exceptions and conditions of this Section and (in so far as they can apply) of this policy, this Section also covers the following, any such indemnity being payable in addition to the basic sum insured on the buildings affected:

1. Loss of Rent / Alternative Accommodation

If, following Damage to the private dwelling house by any of the perils insured under the Defined Events of this Section, it is rendered uninhabitable, the Company will reimburse the Insured as follows, but only in respect of the period necessary for reinstatement and, in respect of any one occurrence, for an amount not exceeding 25% of the sum for which such private dwelling house is insured under this Section:

- (a) Loss of rent - the basis of calculation shall be the annual rent (at the time of occurrence of the Damage) of such private dwelling house unfurnished or its equivalent in rental value;
- (b) Alternative Accommodation – the costs of renting alternative accommodation, which shall, per month, be limited to the equivalent in value of the monthly rental value, as set out in (a) above, of the damaged dwelling house.

2. Public Supply or Mains Connections

Accidental damage to water, sewerage, gas, electricity and telephone connections, the property of the insured or for which the insured is legally responsible, between the public supply or public mains and the insured buildings.

3. Glass and Sanitary Ware

Accidental breakage of glass, mirrors and sanitary ware, provided such are fixed to the buildings. The buildings must be furnished and occupied at the time of the breakage. Chipping, scratching and disfiguration are not covered.

4. Additional Costs

Costs necessarily incurred for demolition and clearing, erection of hoardings, municipal plan scrutiny, architects, quantity surveyors and consulting engineers, following Damage to any insured building by any peril insured under this Section, provided that professional fees will be limited to 20% of the Sum Insured on the affected building.

5. Fire Brigade Charges

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

6. Security Guards

Employment of guards to protect the insured buildings following Damage to the insured buildings by any peril insured under this Section, provided always that the liability of the Company under this Extension shall not exceed R10,000 in respect of any one event.

7. Accidental Damage to Machinery

Sudden and unexpected damage to machinery of swimming pools and Jacuzzis, boreholes (excluding windmills), sprinkler irrigation systems, electric gates and garage doors, air-conditioners, burglar alarms and built-in stoves used solely for domestic purposes. The machinery must be installed in or on the insured buildings at the premises,

provided that the limit of indemnity for this extension for any one event is R10,000 and the Insured is responsible for a first amount payable of R500 in respect of each and every claim.

The Company shall, however, not be liable in respect of:

- (i) loss or damage directly or indirectly caused by rust, subsidence, landslip or the collapse of any building;
- (ii) misapplication of tools or equipment, experiments, wilful overloading or the introduction of abnormal conditions;
- (iii) damage arising out of hydraulic testing or which is discovered during routine examination;
- (iv) damage as a result of faults or defects which were known to the Insured or their responsible employees at the time of the acceptance of this insurance and not revealed to the Company;
- (v) repair or replacement:
 - (a) due to wearing away or wasting of the material of the plant, slowly developing deformation or distortion or other gradual deterioration of any part of the plant, failure of connections or joints, faulty design, workmanship or material;
 - (b) of fuses or electrical contacts at which sparking or arcing occurs, heating elements, collecting brushes, trailing wires, valves, dies, springs, clutch plates, piston rings, gaskets, seals, exchangeable or expendable parts such as bits, drills, cutters, knives, blades, chains, belts, jointing or packing materials or fittings such as fusible plugs, shear pins, safety links and parts not made of metal (except insulation of electrical conductors);
- (vi) consequential loss or damage of any nature;
- (vii) any claim provided for in terms of the guarantee or warranty issued by the manufacturer of the aforementioned machinery or provided for in terms of a service contract in respect of such machinery;

8. Cost of Removal of Trees

The insurance under this section includes up to R10,000 in respect of removal costs of fallen trees or parts thereof (whether or not causing Damage) referred to under Defined Event 4.

9. Keys, Locks and Remote Control Units

Loss of or damage to keys, locks and remote control units used in connection with the private residence. The reasonable costs incurred for calling out a locksmith due to an emergency caused by the loss or damage are also covered,

provided that, in respect of any one event:

- (i) the Company's liability shall not exceed R10,000;
- (ii) the Company shall not be liable for the first R500.

10. Gardens and Water Features

The Company will pay up to R10,000 for costs incurred by the Insured in restoring damaged landscaped gardens and water features following fire, lightning, thunderbolt, subterranean fire, special perils, earthquake, volcanic eruption, malicious damage and/or explosion.

11. Subsidence and Landslip – Limited Cover

Damage caused by subsidence or landslip provided that the insured shall bear the first portion of each and every claim up to an amount calculated at 1% of the sum insured on the property or R5,000 or the amount stated in the schedule whichever is the greater.

This extension does not cover:

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

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

12. Subsidence and Landslip – Extended Cover

(If stated in the Schedule to be included)

- (a) This Section is extended to include Damage to the private residence caused by subsidence or landslip of the land supporting the private residence or heave thereof, provided that such Damage is not caused by or does not arise from;
 - (i) normal settlement, shrinkage or expansion of the land supporting the private residence;
 - (ii) alterations (including structural), additions or repairs to the buildings;
 - (iii) the compaction of infill;
 - (iv) defective or faulty design, materials or workmanship;

- (v) excavations other than mining operations;
 - (vi) contraction and or expansion of soil, clay or similar types or moist or damp;
 - (vii) removal or weakening of support to any building at the insured premises
- (b) The Company will not be liable for;
- (i) Damage to septic or conservancy tanks, drains, watercourses unless the insured building(s) are damaged at the same time by the same event;
 - (ii) consequential loss or consequential damage of any kind whatsoever;
 - (iii) Damage existing at commencement of cover.
- (c) The Company will not be liable for work necessary to prevent further Damage due to subsidence, landslip or heave except where appropriate design precautions were implemented during the original construction of the insured buildings and any subsequent additions thereto.
- (d) The Insured will be responsible for the first 1% of the sum insured, minimum R5,000, of each and every claim or the amount stated in the Schedule, whichever is the greater.

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

13. Capital Additions

The insurance by this Section extends to cover alterations, additions and improvements (but not appreciation in value in excess of the sum insured) to the insured property for an amount not exceeding 15% of the sum insured on the insured property, it being understood that the Insured undertakes to advise the Company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

14. Mortgagee Clause

The interests of the mortgagee have priority over the Insured's interests, but are limited to the outstanding amount of the bond. These interests will not be invalidated by any act or omission of the mortgagor or owner of the insured buildings, provided that the act or omission takes place without the knowledge of the mortgagee.

15. Tenants Clause

If a tenant of the insured buildings does something or omits to do something without the insured's knowledge, which is in contradiction of the terms, exceptions and conditions of this policy, the Insured's cover will not be invalidated. The Insured must advise the Company of the act or omission as soon as the Insured become aware of it.

16. Public Authorities' Requirements

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

1. the amount recoverable under this clause shall not include:
 - (a) the costs incurred in complying with any of the aforesaid regulations;
 - (i) in respect of Damage occurring prior to granting of this clause;
 - (ii) in respect of Damage not insured under this Section;

- (iii) under which notice has been served upon the Insured prior to the happening of the Damage;
- (iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged;
- (b) the additional costs that would have been required to make good the property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen;
- (c) the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations;
- 2. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this clause not being thereby increased;
- 3. if the liability of the Company under any item of this Section, apart from this clause, shall be reduced by the application of any of the terms, exceptions and conditions of this Section, then the liability of the Company under this clause in respect of any such item shall be reduced in like proportion;
- 4. the total amount recoverable under any item of this Section shall not exceed the sum insured thereby.

17. Water Leakage

The Company will indemnify the Insured for costs of water lost through leakage from or bursting of pipes on the Insured premises where the Insured are responsible to pay the charge for such additional water consumed, provided that:

- (a) the quarterly reading of water consumption must have exceeded the average of the previous four quarterly readings by 50% or more;
- (b) the Company's liability in respect of any one incident shall not exceed R10,000 less a first amount payable of R500 or the amount stated in the Schedule whichever is the greater;
- (c) the Company shall not be liable for more than two separate incidents in any 12-month period;
- (d) the Insured shall, upon discovery of a leak or burst (by physical evidence or on receipt of an abnormally high water account) take immediate steps to repair or replace the pipe(s) affected;
- (e) this Extension does not cover the cost of remedial action including repair or replacement of the pipe(s) affected;
- (f) the Company shall not be liable for claims:
 - (i) as a result of leaking taps, geysers, toilet systems or swimming pools;
 - (ii) while the property is unoccupied for a period in excess of thirty consecutive days;
 - (iii) where the water level of a swimming pool has to be topped up as a result of a leaking inlet or outlet pipe.

18. Accidental Damage to Geysers

This Section includes accidental loss of or damage to geysers, water apparatus and water pipes, the property of the Insured, installed in and forming part of the buildings or structures as stated in the Schedule, caused by bursting or rupturing thereof,

provided always that:

- (i) this Extension does not cover structural defects, faulty design or poor workmanship;
- (ii) if any insured building or structure becomes unoccupied for more than 30 consecutive days, the insurance in respect of this Extension is suspended;

- (iii) the Company's liability, in respect of any one event, shall not exceed R10,000 less the first amount payable of R1,000 or the amounts stated in the Schedule, whichever may be the greater.

19. Damage by Wild Baboons, Monkeys or Animals

This section is extended to include loss of or damage to the building(s) as stated in the schedule, caused by wild, baboons, monkeys or animals,

provided that:

- (i) wild baboons, monkeys or animals shall mean those that live freely in the natural surroundings and are not kept as pets or farm animals and do not include rodent(s), moth and vermin;
- (ii) the company's liability will not exceed R10,000 in respect of any one occurrence;
- (iii) the insured will be responsible for the first R1,000 in respect of each and every occurrence giving rise to a claim.

Specific Exceptions

- 1. This Section does not cover any consequential or indirect loss or damage of any kind or description whatsoever, except loss of rent as specifically provided for under Loss of Rent;
- 2. This Section does not cover any loss, damage, liability or claim directly or indirectly occasioned by or through or in consequence of subsidence or landslide, except as noted by specific Extension hereto;
- 3. any claim arising out of any contractual liability unless legal liability would have existed in the absence of such contract or agreement;
- 4. Damage to any property whatsoever, or any loss or expense whatsoever resulting or arising therefrom as a result of lack of maintenance to the dwelling;
- 5. Damage to any dwelling of which the construction is non-standard unless so stated in the Schedule;
- 6. Damage to any dwelling which has a thatch roof in part or in whole unless so stated in the Schedule;
- 7. any theft or malicious damage to the Dwelling in the event that it is unoccupied for more than 30 consecutive days unless agreed by the Company in writing;
- 8. wear and tear or gradual deterioration.

Conditions

Average

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

Reinstatement Value Conditions

In the event of the property being damaged, the basis upon which indemnity is calculated is the cost to replace the lost or damaged property or part thereof with similar new property, limited to the sum insured stated in the Schedule.

HOUSEHOLD CONTENTS SECTION

Definitions

"Insured property"

shall mean;

- (a) contents whilst contained in the Insured's private residence and domestic outbuildings;.
- (b) personal effects belonging to the Insured while such personal effects are contained in the Insured's private residence.

"Insured"

shall include the spouse of the Insured and any other member of the family of the Insured or member of the family of the spouse of the Insured, provided the aforesaid member is normally residing with the Insured.

"Insured's private residence"

shall mean the building of the Insured's private dwelling house/flat which is constructed and situated as stated in the schedule.

"Domestic outbuildings"

shall mean the building(s) of all domestic rooms, private garages and private outbuildings being on the same premises as and used solely in connection with, but not directly communicating with, the Insured's private residence.

"Buildings"

shall mean the Insured's private residence and domestic outbuildings.

"Premises"

shall mean the premises, stated in the Schedule, on which the Insured's private residence is situated.

"Contents"

shall mean household goods and personal effects of every description, the property of the Insured or for which s/he is responsible, and fixtures and fittings the property of the Insured or for which s/he is legally responsible but excluding fixtures and fittings belonging to the owner of the buildings, if not the Insured.

Defined Events

Loss of or damage to the whole or part of the insured property caused by any of the following perils:

1. Fire, lightning, explosion;
2. Storm, wind, water, hail, flood or snow, but excluding any loss of or damage to any property:
 - (a) arising from its undergoing any process necessarily involving the use or application of water unless by public authorities in extinguishing a fire;
 - (b) in any structure not completely roofed, or in the open, unless such property is designed to exist in the open, provided always that this defined event does not cover any loss or damage caused or aggravated by the Insured's failure to take reasonable precautions for the maintenance and safety of the insured property and to prevent or minimise any loss or damage;
3. Earthquake, earth tremor, volcanic eruption;
4. Falling trees (excluding falling trees while contractors are engaged in the felling thereof) or impact with any of the buildings by animals or vehicles, but excluding any damage to such vehicles or the contents thereof;
5. Theft or any attempt thereat, but excluding:
 - (a) theft (or any attempt thereat) while the buildings or any part thereof are lent, let or sub-let, unless such theft (or any attempt thereat) is accompanied by breaking into or out of the buildings by visible, violent and forcible means. For the purposes of this defined event, the accommodation of paying guests, boarders or lodgers, not exceeding three in number per dwelling, shall not be deemed to be lending, letting or sub-letting the buildings;
 - (b) theft (or any attempt thereat) from any domestic outbuildings unless such theft (or any attempt thereat) is accompanied by breaking into or out of such domestic outbuildings by visible, violent and forcible means.
6. Theft (or any attempt thereat) from any furniture, storage depot, bank or safe deposit box, any other occupied private residence, any building in which the Insured is temporarily residing, any building in which the Insured is employed or any other building which is not accompanied by breaking into or out of such buildings by actual, visible, violent and forcible means shall be limited to R2,500 any one claim;
7. Malicious damage;
8. Collapse or breakage of or Damage to television or radio masts or aerials including satellite dishes;
9. Leakage from or bursting or overflowing of water tanks or water- or oil-heating installations or pipes, washing machines or dishwashers;
10. Impact by aircraft and other aerial devices or anything dropped from them.

Extensions

Subject otherwise to the terms, exceptions and conditions of this Section and (in so far as they can apply) of this policy, this Section also covers the following:

1. Loss of Rent/Alternative Accommodation

Loss of rent actually incurred by the insured in consequence of the private residence, owned or occupied by the Insured, being so damaged by any of the perils specified in Defined Events as to be rendered uninhabitable, and reasonable additional expenses necessarily incurred by the Insured at an hotel or boarding house, but only in respect of the period necessary for reinstatement,

provided that, if concurrent insurance is in force in the Insured's name under the Houseowners Insurance Section, cover hereunder shall not aggregate with such other insurance, the Company's liability being limited to 25% of the higher of the sums insured stated in the Schedules of this and the Houseowners Insurance Section.

2. Loss of Money

Loss of or damage to the Insured's money while inside the Insured's private residence caused by any of the perils defined. Theft of money must be accompanied by breaking into or out of the aforesaid private residence by visible and forcible means,

provided always that the liability of the Company under this Extension shall not exceed R5,000 any one occurrence.

3. Audio Visual Equipment

This Section covers accidental loss of or damage to any television set, video recorder, decoder, DVD, sound reproduction equipment, excluding computer equipment, laptop, satellite dish or aerial whilst in or on the dwelling by accidental means other than mechanical, electronic or electrical breakdown,

provided that the liability of the Company shall not exceed R10,000 any one occurrence, less a first amount payable of R500.

4. Accidental Damage Including Mechanical, Electrical and/or Electronic Breakdown

Loss of or damage to contents while in the Insured's private residence or on the premises on which the aforesaid private residence is situated,

provided always that the Company shall not be liable under this Extension in respect of:

1. loss or damage:
 - (i) which is payable following any Defined Event;
 - (ii) due to depreciation or gradual causes such as wear and tear, rust, mildew, corrosion and decay;
 - (iii) caused by household pests such as rodents, ants and moths, or a cleaning, repairing or restoration process;
 - (iv) of or to tools, gardening implements, garden furniture or automatic swimming pool apparatus;
 - (v) of or to portable computer equipment or cellular telephones;
2. damage to glass, glassware or other brittle articles due to cracking or scratching, unless caused by theft or attempted theft or fire. Jewellery, cameras or fixed glass of television sets are not excluded;
3. the cost of reproduction or repairing of data,

provided that the Company's liability shall not exceed R10,000 any one occurrence, less a first amount payable of R500.

5. Mirrors and Glass

This Section covers accidental breakage of mirror glass, plate glass tops of stoves and furniture or fixed glass forming part of any article of furniture (other than radio and television apparatus) while in the dwelling,

provided that the liability of the Company shall not exceed R10,000 any one occurrence, less a first amount payable of R500.

6. Guests Effects

If any property (excluding money and negotiable instruments) not otherwise insured, belonging to a guest temporarily residing with the Insured is lost or damaged by any of the defined events or by theft from the private residence (subject to forcible and violent entry into or exit from the dwelling) the Company will indemnify the guest up to R10,000 any one claim.

7. Domestic Staff Property

This Section covers loss of or damage to the household goods and personal effects (excluding money and negotiable instruments) belonging to domestic staff in the full time service of the Insured by any of the defined events while such property is contained in the dwelling,

provided that:

- (a) loss or damage by theft is excluded unless such theft is accompanied by forcible and violent entry into or exit from the dwelling,
- (b) the liability of the Company shall not exceed R10,000 any one occurrence.

8. Domestic Refrigerators, Freezers, Cold Store and Freezer Room Contents

This Section covers deterioration of the contents of any refrigerator, deep-freeze, cold store or freezing room due to change of temperature resulting from accidental failure of electricity (excluding load shedding) as well as accidental or mechanical breakdown of any such cold storage unit in the dwelling of the Insured,

provided that:

- (a) this Extension does not include:
 - (i) deterioration of the contents resulting from the deliberate cessation of the public power supply (gas included) by any authority;
 - (ii) damage to the refrigerator, deep-freeze, cold store or freezing-room as such;
- (b) the liability of the Company in terms of this Extension shall not exceed the amount of R10,000 for any one occurrence;
- (c) the Company shall not be liable for the first R500 for any one occurrence.

9. Keys, Locks and Remote Control Units

This Section covers the cost of replacing locks and keys including the remote and/or alarm controller and, if necessary, the reprogramming of such coded alarm system of the insured property following upon loss of or damage to the lock, key, remote or alarm controller, or upon the Insured having reason to believe that any unauthorised person may be in possession of such key, remote and/or alarm controller or a duplicate thereof.

This Section also covers the reasonable expenses incurred in any emergency to call in a locksmith as a result of the loss of such key, remote and/or alarm controller,

provided that, in respect of any one occurrence:

- (i) the liability of the Company shall not exceed R10,000;
- (ii) the Company shall not be liable for the first R500;

or, in respect of (i) and/or (ii), the amount stated in the Schedule, whichever is greater.

10. Laundry and Garden Furniture

This Section covers theft of laundry and/or garden furniture from the premises stated in the Schedule, provided that the liability of the Company shall not exceed R10,000 in respect of any one occurrence.

11. Documents

This Section covers loss or damage, caused by the perils as defined, of or to documents and manuscripts the property of the Insured while in the private dwelling described in the Schedule up to R5,000 any one claim. The Company shall only be liable for the value of materials and the cost of labour in reinstating the documents or obtaining duplicates, and not for the value of the information contained therein or thereon.

12. Medical and Veterinary Expenses

This Section covers medical and/or veterinary expenses incurred as a result of accidental bodily injury sustained by any:

- (a) person other than the Insured caused by a domestic animal owned by the Insured;
- (b) guest or visitor arising from the occupation or ownership of the premises by the Insured;
- (c) domestic staff arising from and/or in the course of their employment by the Insured;
- (d) domestic animal owned by the Insured arising from a road accident,

provided that the Company's liability, in respect of any one occurrence, shall not exceed R10,000 per person or R2,500 per animal.

13. Accidental Death

In the event of accidental bodily injury to the Insured or member of his/her family normally residing with the Insured while in the dwelling or its grounds, which results directly in the death of such person within 3 months of the injury, the Company will pay:

- (a) R5,000 in respect of a person 18 years of age and under;
- (b) R10,000 in respect of a person over 18 and under 76 years of age.

14. Security Guards

The Company will indemnify the Insured for costs reasonably and necessarily incurred in employing a security guard following loss or damage caused by a specified peril up to R10,000 in respect of any one occurrence.

15. Domestic Telephone Instruments

If any domestic telephone instrument (excluding a cellular telephone) in the dwelling is accidentally damaged, the Company will indemnify the Insured up to R2,500 per instrument in respect of any one occurrence.

16. Trauma

If the Insured is a victim of a violent act of theft, attempted theft, hold up, hijacking or fire which necessitates professional counselling, the Company will pay compensation up to R5,000 any one occurrence.

17. Water Leakage

The Company will indemnify the Insured for costs of water lost through leakage from or bursting of pipes on the Insured property where the Insured are responsible to pay the charge for such additional water consumed, provided that:

- (a) the quarterly reading of water consumption must have exceeded the average of the previous four quarterly readings by 50% or more;
- (b) the Company's liability in respect of any one incident shall not exceed R10,000 less a first amount payable of R500;
- (c) the Company shall not be liable for more than two separate incidents in any 12-month period of insurance;
- (d) the Insured shall, upon discovery of a leak or burst (by physical evidence or on receipt of an abnormally high water account) take immediate steps to repair or replace the pipe(s) affected;
- (e) this Extension does not cover the cost of remedial action including repair or replacement of the pipe(s) affected;
- (f) the Company shall not be liable for claims:
 - (i) as a result of leaking taps, geysers, toilet systems or swimming pools;
 - (ii) while the property is unoccupied for a period in excess of 30 consecutive days;
 - (iii) where the water level of a swimming pool has to be topped up as a result of a leaking inlet or outlet pipe.

18. Clearance Costs

The Company will indemnify the Insured up to R10,000 any one claim for costs necessarily incurred in respect of the removal of debris from the premises following loss or damage hereby insured.

19. Transit

The Company will, in respect of any one occurrence, indemnify the Insured up to R10,000 for damage to household goods in the Insured's or their authorised representative's custody while in transit to or from any place of purchase, repair or renovation, provided that the damage is caused by fire, collision or overturning of the conveying motor vehicle including theft following the stated occurrence.

20. Damage to Garden

The Company will pay costs reasonably and necessarily incurred by the Insured in their capacity as owner (or, if not the owner, is responsible to the owner) of the buildings for the replacement of trees, shrubs and plants situated at the dwelling following damage due to fire, fire-fighting operations, explosion, impact or deliberate or wilful acts up to an amount of R10,000, excluding loss or damage caused by or arising from theft or attempted theft.

21. Swimming Pool Machinery

This Section covers sudden accidental loss of or damage to the swimming pool machinery and filtration equipment installed at the private dwelling house stated in the Schedule, the property of the Insured as tenant and/or the Insured as owner and occupier if the dwelling is insured elsewhere due to an obligation to a financial institution,

provided that the liability of the Company is limited to the sum of R5,000 in respect of any one occurrence.

Specific Exceptions Applicable to Swimming Pool Machinery

The Company shall not be liable in respect of:

- (i) loss or damage directly or indirectly caused by rust, subsidence, landslip or the collapse of any building;
- (ii) misapplication of tools or equipment, experiments, wilful overloading or the introduction of abnormal conditions;
- (iii) damage arising out of hydraulic testing or which is discovered during routine examination;
- (iv) damage as a result of faults or defects which were known to the Insured or their responsible employees at the time of the acceptance of this insurance and not revealed to the Company;

- (v) repair or replacement:
 - (a) due to wearing away or wasting of the material of the plant, slowly developing deformation or distortion or other gradual deterioration of any part of the plant, failure of connections or joints, faulty design, workmanship or material;
 - (b) of fuses or electrical contacts at which sparking or arcing occurs, heating elements, collecting brushes, trailing wires, valves, dies, springs, clutch plates, piston rings, gaskets, seals, exchangeable or expendable parts such as bits, drills, cutters, knives, blades, chains, belts, jointing or packing materials or fittings such as fusible plugs, shear pins, safety links and parts not made of metal (except insulation of electrical conductors) transformer oil or switch oil or refrigerant;
- (vi) consequential loss or damage of any nature;
- (vii) any claim provided for in terms of the guarantee or warranty issued by the manufacturer of the swimming pool machinery or provided for in terms of a service contract in respect of such swimming pool machinery;
- (viii) the first R500 or the amount stated in the Schedule, whichever is the greater, of each and every claim.

22. Storage Costs for Contents After Loss

This Section covers necessary storage costs incurred by the Insured to safeguard the contents after loss or damage resulting from any of the Insured Perils,

provided that the liability of the Company in respect of this Extension is limited to R5,000 in respect of any one occurrence, or the amount stated in the Schedule, whichever is the greater.

23. Subsidence and Landslip

This Section is extended to include loss of or damage to the contents of the residence caused by subsidence or landslip, provided that the Insured shall bear a first amount payable of each and every claim calculated at 1% of the sum insured, minimum of R5,000 or the amount stated in the Schedule, whichever is the greater.

This Extension does not cover loss or damage caused by or attributable to:

- (a) faulty design or construction of any building;
- (b) the removal or weakening of support of any building;
- (c) architectural alterations, additions or repairs;
- (d) excavations above or below ground, except excavations in the course of mining operations;
- (e) consequential loss or consequential damage of any kind whatsoever except in the case of loss of Rent as provided for in this Section;
- (f) loss or damage as a result of structural defects, faulty design, defective workmanship, lack of maintenance, normal wear and tear, corrosion, inherent vice or latent defect.

In any action, suit or other proceedings in which the Company alleges that, by reason of the provisions of these Exceptions, any loss or damage is not covered by this Extension, the burden of proving the contrary shall be upon the Insured.

24. Fire Brigade Charges

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

Specific Exceptions

1. The following property shall not be deemed to be insured property and shall therefore not be covered under this Section:
 - (a) property more specifically insured;
 - (b) any property, irrespective of whether it will be processed or not, which was obtained or is being obtained with the sole purpose of such property later being disposed of in a business transaction;
 - (c) any property consigned under a bill of lading;
 - (d) any property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Mozambique, Zimbabwe and Malawi;
 - (e) money, securities for money, deeds, bonds, bills of exchange, promissory notes, cheques, postal and money orders, negotiable and other documents of any kind, manuscripts, rare books, medals, stamps and coins of any kind (including, inter alia, stamp- and coin collections);
 - (f) vehicles of any kind (including inter alia self-propelled gardening implements normally being controlled by a driver, but excluding pedal cycles which are not mechanically or electrically driven/assisted) and any part (including inter alia any spare wheel, tool, spare part and accessory) of such vehicles whilst in or on or attached to such vehicles;
 - (g) vessels or watercraft of any kind (including inter alia canoes) and any part (including inter alia any tool, spare part, accessory and outboard motor) thereof;
 - (h) aircraft and other aerial devices of any kind and any part (including inter alia any tool, spare part and accessory) thereof;
 - (i) animals.
2. This section does not cover;
 - (a) any consequential or indirect loss or damage of any kind or description whatsoever, except loss of rent as expressly provided for in this Section;
 - (b) any loss, damage, liability or claim directly or indirectly occasioned by or through or in consequence of subsidence or landslip except as specifically provided for in this Section;
 - (c) any loss or damage resulting from or caused by detention, confiscation or requisition by customs or other officials or authorities;
 - (d) any loss or damage resulting from any exchange, cash or credit sale agreement, including theft under false pretences and/or fraud;
 - (e) wear and tear or gradual deterioration.
3. The Company shall not be liable under this Section in respect of loss or damage for which provision is made in any guarantee or service contract or in any purchase or hire/lease or hire purchase or financing agreement or any other agreement of whatever nature regarding the insured property or any part thereof.

Conditions

1. Average

If the insured property shall, at the commencement of any insured loss or damage, be collectively of greater value than the sum insured in respect of such property, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the aforesaid loss or damage accordingly. Every item, if more than one, of this Section shall be separately subject to this condition.

2. Reinstatement Value Conditions

In the event of any property being lost or damaged, the basis upon which indemnity is calculated shall be the cost to replace the lost or damaged property or part thereof with similar new property, limited to the sum insured stated in the Schedule,

provided that the Company will afford indemnity under this section by, at its own option:

- (i) either paying the value of the lost or damaged property to the Insured in cash; or
- (ii) replacing the lost or damaged property; or
- (iii) repairing the damaged property; or
- (iv) applying any combination of (i), (ii) and (iii) above.

3. Proof of Ownership

The Insured shall be obliged to satisfy the Company, by documentary proof or independent sworn valuation, of ownership of any item lost or damaged, and for which indemnity hereunder is claimed, if asked by the Company to do so.

4. Unspecified Jewellery

The total value of unspecified platinum, gold or silver articles and jewellery shall not exceed 25% of the contents sum insured as stated in the Schedule, unless specifically agreed to by the Company in writing.

5. Paintings, Artwork, Persian Carpets and Antiques

Loss of or damage to paintings and/or works of art and/or Persian carpets and/or antiques shall not exceed R10,000 in respect of any one loss, unless such items are specifically stated in the policy to be included and supported by documentary proof or an independent sworn valuation.

6. Pairs and Sets Clause

Where the insured property consists of articles of a pair or set, the Company shall not be liable for more than the value of any particular part or parts which may be lost or damaged, nor for more than the proportionate part of the pair or set, without reference to any special value which such article or articles may have as part of such pair or set.

7. Burglar Alarm Warranty

(If stated in the Schedule to be applicable)

In respect of any premises stated in the Schedule as being subject to a burglar alarm warranty, it is hereby warranted that:

- 1. where the installed alarm is a SAIDSA Approved (Pty) Ltd certified alarm:

- (a) the Company will be entitled to request full information in respect of the relevant arming, disarming and monitoring log report after the occurrence of a loss;
- (b) Damage to the property following the use of any key, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured is not covered unless such key, keypad code, remote control or any duplicate thereof has been obtained by violence or threat of violence to any person or such key, keypad code or remote control was obtained by theft;

2. where the installed alarm is not a SAIDSA Approved (Pty) Ltd certified alarm:

- (a) the said alarm is to be a radio-controlled and/or telephone-linked monitoring alarm where available (for the purposes of this requirement, monitoring shall mean that, once the alarm is triggered, a signal will be transmitted to the control room which includes a 24-hour armed reaction or response unit);
- (b) it is also a requirement that such alarm system include anti-tampering measures which will log such events including, but not limited to, power cuts and the like;
- (c) if the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm shall include the armed reaction unit's services, where available;
- (d) the control panel shall have an event log and the arming and disarming of the alarm is to be logged and, after the occurrence of a loss, the Company will be entitled to request full information in respect of the arming, disarming, testing and monitoring log report;
- (e) the burglar alarm installed at the premises shall be set and armed and made fully operational whenever the premises are not open for business, unless a principal, partner, director or employee of the Insured is on the premises;
- (f) such alarm will be maintained in proper working order and tested at least once a month, but the Insured shall be deemed to have discharged their liability in this regard if they have maintained the obligations under a maintenance contract with the suppliers or servicing engineers of the alarm system;
- (g) Damage to the property following the use of any key, the keypad code or remote control of the burglar alarm or any duplicate thereof belonging to the Insured is not covered unless such key, keypad code, remote control or any duplicate thereof has been obtained by theft or by violence or threat of violence to any person.

8. Cover Restriction and Warranty – Burglar Bars and Security Gates

It is hereby declared and agreed that, until safety/security gates have been fitted to all the outer doors (including inter alia sliding doors) and burglar bars fitted to all windows which can be opened (including inter alia louvre windows) of the insured premises, this Section does not cover any loss, damage or claim directly or indirectly occasioned by or through or in consequence of:

- (a) theft or any attempt thereof (if insured under this Section) whether or not accompanied by forcible and violent entry into or exit from the buildings;
- (b) the actions of persons of wrongful intent during or following forcible and violent entry into or exit from the buildings.

It is furthermore warranted that no safety/security gates and burglar bars in or on the insured premises will be altered or removed by the Insured without the written consent of the Company and that the safety/security gates will be kept properly closed and locked at all times when the premises are left unattended.

9. Unoccupancy

In the event that the dwelling stated in the premises is left unoccupied for more than 30 consecutive days, cover against loss or damage by theft and/or burglary is automatically suspended unless agreed to by the Company in writing prior to such unoccupancy.

PERSONAL ALL RISKS SECTION

Definitions

Insured Property

This Section covers the following property (which shall have the meaning as stated) belonging to the Insured and/or the spouse of the Insured and/or their children who are financially dependent on and normally residing with them.

Clothing and Personal Effects

Clothing, spectacles, hearing aids, pens, pencils, cosmetics and their cases, cigarette cases, lighters, jewels and jewellery, personal ornaments, watches, furs, articles of gold or silver and other articles similar to the aforementioned that are usually carried by or on a person, electric and other razors, umbrellas, handbags, cases, pocket calculators, pocket computer devices such as electronic diaries, portable projectors and other portable photographic equipment, portable radios and portable tape decks or compact disc players, binoculars, sports equipment as well as trunks, suitcases and other containers in which the property is kept whilst travelling, baby equipment such as prams and children's car seats, provided always that the liability of the Company under this item shall not exceed R2,500 for any one item, pair or set.

Specified Property

Bicycles, contact lenses, firearms, sporting equipment, laptops, cell phones, cameras, video camera equipment, jewellery, contents of caravans, motor radio/tape players\CD players and the like and any single item, pair or set exceeding R2,500 in value for any one item.

Defined Events

Loss of or damage to the whole or part of the insured property, described in the schedule, while anywhere in the world by any accident or misfortune not otherwise excluded.

Extensions

1. Pedal Cycles

This Section covers loss of or damage to pedal cycles and non-motorized scooters not exceeding R1,000 unless specified as a separate item in the Schedule, provided that the Company shall not be liable for loss of or damage to accessories and spare parts by theft or burglary unless the pedal cycle or non-motorized scooter is stolen at the same time.

2. Personal Documents, Coins and/or Stamp Collections

1. Personal deeds, wills, agreements, maps, plans, records, books, letters, certificates and any other personal documents, but excluding share certificates and any other negotiable documents, provided always that:
 - (a) the Company shall not be liable under this Extension for the value to the Insured of the information contained in such personal documents, but only for the value of the materials and the amounts expended on labour to recreate or reinstate such personal documents;
 - (b) the liability of the Company under this Extension shall not exceed R1,000 for any one occurrence;
2. any coin and/or stamp collection, provided always that:
 - (a) the value of a single coin or stamp or the value of a single set of coins or a single set of stamps shall not exceed the value indicated in the current relevant catalogue or price list;
 - (b) the liability of the Company under this Extension shall not exceed R5,000 for any one occurrence;
 - (c) proof of ownership will be required.

3. Groceries and Household Goods in Transit

Loss of or damage to clothing, groceries and household goods of every description which, after the purchase thereof, are being transported by the Insured along a reasonably direct route from the premises of the supplier of such clothing, groceries and/or household goods to the Insured's private residence,

provided always that:

- (a) the Company shall not be liable under this Extension in respect of loss of or damage to clothing and personal effects;
- (b) the liability of the Company under this Extension shall not exceed R5,000 less a first amount payable of R500;
- (c) no cover is granted in respect of theft or attempted theft from an unattended motor vehicle, unless the vehicle was securely locked and there was visible, violent and forcible entry into the vehicle.

4. Keys, Locks and Remote Control Units

Loss of or damage to any key or remote control unit;

- (a) in use in the Insured's private residence in connection with the Insured's household;
- (b) of any private type vehicle, caravan, trailer, motorcycle or vessel, the property of the insured and which is insured under the Motor Section or the Small Craft Section of this policy,

provided that, if such cover is provided under such Motor or Small Craft Section, regardless of the limits of such cover, this clause (b) will be of no effect.

This Extension includes cover in respect of:

- (i) replacement of the relevant lock(s) necessary as a result of loss of or damage to the said key or remote control unit,
- (ii) the reasonable expenses incurred by the Insured in sending for a locksmith in an emergency due to the loss of or damage to the said key or remote control unit,

provided that, in respect of any one event:

- (i) the Company's liability shall not exceed R5,000;
- (ii) the Company shall not be liable for the first R500.

5. Contents of Caravan and/or Luggage Trailers

If specified in the Schedule to be included, this Section is extended to cover property being household goods belonging to the Insured or for which they are responsible while in any caravan or attached side tent and/or luggage trailer,

provided that the Company shall not be liable for:

- (i) theft of property while the caravan or side tent is unoccupied unless there is visible signs of forcible and violent entry;
- (ii) theft of property out of luggage trailers unless there is visible signs of forcible and violent entry;
- (iii) more than R2,500 for any one item unless otherwise stated;
- (iv) more than R2,500 for any one claim if not stated in the schedule to be included;
- (v) the permanent fixtures and fittings of the caravan or luggage trailer;
- (vi) stamp and/or coin collections, money, documents, jewellery, furs or any other article which should be more specifically insured;

6. Riot and Strike

(If stated in the Schedule to be included)

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

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

provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than Loss of Rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A), (ii), (iii), (iv), (v) or (vi) of this policy, or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

7. Non-forcible and violent entry into vehicle extension

(If stated in the Schedule to be included)

Specific exception 1 (a) shall not apply to goods in the cab or boot of the vehicle where the insured maintains that the vehicle was locked but no evidence of forcible and violent entry or exit from the vehicle exists, provided that;

1. the police case number is supplied to the Company;

2. this extension shall only apply to property that is separately and individually specified in the schedule;
3. the liability of the company is restricted to R10,000 less the first amount payable as stated in the schedule in respect of any one event

Specific Exceptions

(A) Unless specifically stated to the contrary, the Company shall not be liable in respect of:

1. loss or damage resulting from or caused by:
 - (a) theft of clothing from any clothes-lines on the premises of the "insured's private residence" as defined in the Householders Section of this policy;
 - (b) wear and tear, depreciation or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions);
 - (c) inherent vice or defect, household pests, vermin, rodents, ants and moths, insects, larvae, damp, mildew, rust or corrosion;
 - (d) the insured property undergoing a process of cleaning, repairing, dyeing, bleaching, altering or restoring;
 - (e) mechanical or electrical breakdown, defect, failure or breakage;
 - (f) any exchange, cash or credit sale agreement, including theft under false pretences and/or fraud;
 - (g) any single item, pair or set exceeding R2,500 in value unless specifically insured and specified in the Schedule;
 - (h) theft or attempted theft from an unattended vehicle unless the goods are concealed in the locked boot or in a completely enclosed and securely locked compartment and the vehicle is locked and there are visible signs of violent and forcible entry into the vehicle;
 - (i) loss or damage arising from detention, confiscation, destruction or requisition by customs or other officials or authorities;
 - (j) loss or damage to photographic and optical equipment whilst the equipment is being used for commercial or professional purposes or expeditions of discovery or research or underwater photography;
 - (k) loss of or damage to cash, bank notes, currency notes, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts, securities or any kind of travel tickets unless described in the Schedule to be included;
2. loss of precious or semi-precious stones:
 - (a) due to faulty settings and/or the malfunctioning of claws and/or other mountings;
 - (b) caused by the deterioration or normal wear and tear of claws and/or other mountings.
3. damage to glass, glassware or other articles of a brittle nature (other than jewellery, cameras and fixed glass forming part of television receivers) due to cracking, scratching or breakage unless caused by theft (or any attempt thereat) or fire;
4. loss or damage for which provision is made in any guarantee or service contract or in any purchase or hire or hire-purchase or financing agreement or any other agreement of whatever nature regarding the insured property or any part thereof;
5. consequential loss, consequential damage or indirect loss or damage of any kind or description whatsoever.

(B) Unless specifically stated to the contrary, this Section does not cover the following:

- (i) any property, irrespective of whether it will be processed or not, which was obtained with the sole purpose of such property later being disposed of in a business transaction;
- (ii) cash, bank and currency notes, deeds, bonds, bills of exchange, promissory notes, cheques, postal and money orders, negotiable and other documents of any kind, stamps of any kind (including inter alia stamp collections), manuscripts, securities, rare books, medals and coins of any kind (including inter alia coin collections).
- (iii) vehicles of any kind (including inter alia self-propelled gardening implements normally being controlled by a driver but not including pedal cycles which are not mechanically or electrically driven/assisted) and any part (including inter alia any spare wheel, tool, spare part and accessory) of such vehicles whilst in or on or attached to such vehicles;
- (iv) vessels or watercraft of any kind (including inter alia canoes) and any part thereof, including inter alia any tool, spare part, accessory and outboard motor;
- (v) aircraft and other aerial devices of any kind and any part thereof, including inter alia any tool, spare part and accessory thereof;
- (vi) animals.

Conditions

1. Average

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

2. Reinstatement Value Conditions

In the event of the insured property being lost or damaged, the basis upon which indemnity is calculated shall be the cost to replace the lost or damaged property or part thereof with similar new property, limited to the sum insured stated in the Schedule,

provided that the Company will afford indemnity under this Section, at its own option, by:

- (i) either paying the value of the lost or damaged property to the Insured in cash; or
- (ii) replacing the lost or damaged property; or
- (iii) repairing the damaged property; or
- (iv) applying any combination of (i), (ii) and (iii) above.

3. Proof of Ownership

The Insured shall be obliged to satisfy the Company, by documentary proof or independent sworn valuation, of ownership of any item claimed if asked by the Company to do so.

4. Pairs and Sets Clause

Where the insured property consists of articles of a pair or set, the Company shall not be liable for more than the value of any particular part or parts which may be lost or damaged, nor for more than the proportionate part of the pair or set, without reference to any special value which such article or articles may have as part of such pair or set.

5. Safe Deposit

(If stated in the Schedule to be included)

If cover indicated against a specified item in the Schedule is BANK, insurance under this Section only applies when such item is contained in a Safe Deposit in a bank or locked in a Safe Deposit or strong room of the Insured when not being carried on the Insured.

6. Specified Items

It is a condition of this Section that the Insured supply the Company with a valuation certificate or reasonably proof of ownership at inception of the policy, or as allowed in writing by the Company for each item specified, failing which the company will not accept liability for any claim following a loss thereof or damage thereto.

7. Collections (Coin or Stamps)

The Company will not pay more than the value of a single coin or stamp or a single set of coins or stamps which are lost or damaged. The value will be ascertained by means of the current catalogue or price list.

PERSONAL LIABILITY SECTION

Definition

For this Section, reference to “the Insured” shall include any member of the Insured’s household permanently residing with the Insured at the premises.

Cover Provided

Basis of Indemnity

If the Insured becomes legally liable to pay compensation for accidental death, bodily injury or illness or accidental loss of or damage to property occurring during the Period of Insurance, from an event anywhere in the world (but excluding any judgement, award, payment or settlement made within a country which operates under the laws of the United States of America or Canada or is subject to any order which is made anywhere in the world to enforce such judgement, award payment or settlement or part thereof and also excluding any punitive damages),

to the extent that such liability is not indemnifiable in terms of another Insurance Policy, the Company will compensate the Insured up to the Limit of Indemnity stated in the Schedule in respect of any one accident or series of accidents arising out of one event, including all legal costs and expenses:

- (i) recoverable by or on behalf of any claimant from the Insured and/or;
- (ii) incurred with the Company’s written consent, which consent shall not be unreasonably withheld.

Basis of Settlement

The Company’s liability in respect of any one accident or series of accidents arising out of any one event shall not exceed the limit of liability stated in the Schedule. Such amount shall include all costs and expenses incurred with the Company’s written consent.

Tenants

Subject to the Limit of Liability stated in the Schedule, the Company will indemnify the Insured if they become legally liable as a tenant and not as an owner for:

- (i) damage to the building of a Dwelling and its domestic outbuildings (including fixtures and fittings) caused by an insured event specified under the Household Contents Section;

- (ii) accidental damage to fixed sanitaryware or fixed glass;
- (iii) accidental damage to water, gas, sewerage, electricity or telephone connections to the Dwelling or outbuildings.

Security Companies

Special Exclusion 4 does not apply to any liability assumed in terms of a written contract entered into with any organisation providing security, armed response or garden services, in respect of property insured by the Household Contents and Houseowners Sections.

Neighbourhood Watch Liability

The Company will compensate the Insured and, if the Insured is an individual, any member of his/her family who normally resides with the Insured at the address stated in the Schedule, against legal liability for:

- (i) accidental death of or bodily injury to any person other than the Insured's household employees or a member of the Insured's family who normally resides with him/her at the address stated in the Schedule;
- (ii) accidental damage to property which is not owned by or in the custody or control of the Insured or his/her household employees or any member of the Insured's family who normally resides with the Insured at the address stated in the Schedule;
- (iii) resulting from the arrest or search of any person, up to an amount of R25,000 in respect of each claim or series of claims arising out of one event.

Golfer's Hole-in-one or Full-house

Should the insured or a co-insured playing as an amateur, hit a hole-in-one in golf or score a full-house in bowls, on a golf course or bowling-green, affiliated to a provincial union, the insurer will pay the insured R2 500, provided that;

The hole-in-one or full-house must be achieved whilst playing in terms of the recognised rules of the specific game and the hole-in-one or full-house must be confirmed in writing by the secretary of the club.

Exclusions

The following are not covered:

1. compensation payable to the Insured;
2. loss of or damage to property belonging to the Insured or his/her/their domestic servant;
3. liability directly or indirectly due to:
 - 3.1 the Insured's employment, business or profession including, but not limited to, the sale of any goods or the rendering of any services for a fee or any other consideration. This Exclusion does not apply in respect of motor liability unless such liability arises out of the use of any motor vehicle for the carriage of passengers for hire or carriage of fare-paying passengers;
 - 3.2 the ownership of land or buildings (other than buildings insured under the Houseowners Section and land upon which they are situated, provided the land is used for residential purposes);
 - 3.3 the occupation of land or buildings, other than the Insured's dwelling;
 - 3.4 the use of any vehicle, caravan, trailer, air or water craft (other than model aircraft, surfboard or paddle ski) owned by or in the custody or control of the Insured or his/her/their domestic servant;

4. liability;
- 4.1 accepted by agreement which would not have attached in the absence of the agreement (other than described in the clauses of this Section);
 - 4.2 arising out of the letting or hiring out of any movable or immovable property or part thereof for a fee, reward or any other consideration;
 - 4.3 for the first R5,000 of any claim in relation to property hired, leased or borrowed by the Insured or property in the Insured's custody or control;
 - 4.4 liability arising out of the reckless disregard by the Insured of the possible consequences of their acts or omissions;
 - 4.5 (i) of one Insured to another;
(ii) to any former Insured in respect of any occurrence during the period when such former Insured was an Insured;
 - 4.6 arising out of loss of or damage to property to the extent that such liability is indemnifiable under any other insurance policy;
 - 4.7 arising out of the ownership or use of any aircraft other than model aircraft and hang gliders;
 - 4.8 for so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment, notwithstanding that no such enactment is in force or has been effected;
 - 4.9 for any claim in respect of Motor Liability unless such liability is indemnifiable by this policy;
 - 4.10 to any person getting onto or off any motorcycle;
 - 4.11 for any claim in respect of Water Craft Liability;
 - 4.12 for loss of or damage to any self-propelled land vehicle, trailer, caravan, water craft or aircraft in the Insured's care, custody or control;
 - 4.13 arising out of any dishonest, fraudulent or malicious act or acts of physical assault or seduction committed by the Insured;
 - 4.14 for payment of any fine, penalty, multiple, punitive or exemplary damages or arising out of liquidated damages clauses, penalty clauses or performance warranties, except to the extent that it can be proved that liability would have attached in the absence of such clauses or warranties;
 - 4.15 for any debt;
 - 4.16 for failure to pay maintenance or alimony or any amounts following a breach of promise;
 - 4.17 arising out of the purchase, sale, barter or exchange of any property movable or immovable or the Insured's failure to comply with any obligations in relation thereto;
 - 4.18 for the first R2,000 of any claim arising from the suspension or termination of employment of any domestic servant;
 - 4.19 arising out of any condition directly or indirectly caused by or associated with Human Immunodeficiency Virus (HIV) or the mutants, derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome (AIDS) or any syndrome or condition of a similar kind howsoever it shall be named.

Conditions

1. The indemnity granted by this Section is conditional upon;
 - (a) there being in force at the time of the occurrence an Underlying cover in terms of one of the Sections of this policy which substantially provides cover for the type of liability for which indemnity is sought hereunder; and
 - (b) the Insured not being in breach of the conditions of such cover.
2. This Section is governed by the laws of the country in which the loss occurs or in which a claim is made against the insured, whose courts shall have exclusive jurisdiction in any dispute between the Company and the Insured, all of which shall be within the limitations of the territorial limits of the policy.
3. In respect of any claim, the Company may, for its own benefit, take over and conduct in the Insured's name, and will have full discretion in the conduct of, any proceedings and in the settlement of any claim. The Insured shall give all necessary information and assistance as may be required by the Company.
4. Payments under this Section shall be payable in the currency of the particular country in which the Insured is domiciled or, at the request of the Insured, in any other country within the territorial limits of the policy, in which a claim is made against the Insured.
5. Unless the insured complies with and fulfils all provisions of this Section, the Company shall have no liability under this Section of the Policy.
6. The Company may, in the case of any occurrence, pay to the Insured the maximum indemnity limit (but deducting any sum or sums already paid) or any lesser sum for which the claim or claims can be settled, and it shall thereafter be under no further liability in respect of such occurrence.
7. No admission, offer, promise or payment in relation to a claim under this Section may be made or given by the Insured or on their behalf without the Company's written consent. The Insured shall take all reasonable steps to ensure that they comply with this condition and co-operate with the Company in the defence and settlement of any claim which is indemnifiable by this Section, and in the exercise of any subrogation rights.

PERSONAL UMBRELLA LIABILITY SECTION

1. Indemnity Clause

The Company will indemnify the Insured up to the Limit of Indemnity stated in the Schedule for all sums which the Insured become legally liable to pay as damages arising from an occurrence anywhere in the world, but not in respect of any judgement, award, payment or settlement made in within countries which operate under the laws of North America (or to any order made anywhere in the world to enforce such judgement, award or settlement either in the whole or in part) during the Period of Insurance to the extent that:

- (i) such liability is not indemnifiable in terms of the Insurance Clause and/or Insurable Events Clause and/or Operative Clause of any Underlying Insurance; or
- (ii) such liability is not indemnifiable by reason of an Exclusion in any Underlying Insurance; or
- (iii) the amount of such liability exceeds the Limit of the Underlying Insurance and the Underlying Insurer has paid or has admitted liability or has been held liable to pay the full amount of such Limit which, for the purposes of this policy, is deemed to be the minimum as stated in the Schedule.

2. Definitions

“Underlying Insurance” means an existing insurance policy in force with:

- (i) a registered South African or Namibian Insurer which covers one or more of the following:
 - a. Personal Liability;
 - b. Tenants Liability;
 - c. Property Owners Liability;
 - d. Motor Liability;
 - e. Watercraft Liability;
- (ii) any Insurer in the world which covers one or more of the following:
 - f. Property Owners Liability;
 - g. Motor Liability;
 - h. Watercraft Liability;

In respect of any motor vehicle hired, leased or owned by the Insured or any watercraft or property owned by the Insured, outside the Republic of South Africa or Namibia.

- (iii) North America is the United States of America (being the 50 States of the Union plus the district of Columbia), Canada and any territory operating under the laws of or subject to the jurisdiction of courts of the aforementioned territories.

3. Costs and Expenses

The Limit of Indemnity includes all legal costs and expenses:

- (i) recoverable by or on behalf of any claimant(s) from the Insured;
- (ii) incurred by the Insured with Company's written consent which consent shall not be unreasonably withheld;

4. Exclusions

This Policy excludes liability:

- (a) arising out of and in the course of the Insured's employment, business or profession including but not limited to the sale of any goods or the rendering of any services for a fee, reward or any other consideration;
- (b) arising out of the letting and/or hiring out of any movable or immovable property or part thereof for a fee, reward or any other consideration;
- (c) for the first amount as stated in the Schedule of any claim in relation to property hired, leased or borrowed by the Insured;
- (d) arising out of the reckless disregard by the Insured of the possible consequences of their acts or omissions;
- (e)
 - (i) of one Insured to another;
 - (ii) to any former Insured in respect of any occurrence during any period when such former Insured was an Insured;
- (f) arising out of loss of or damage to property to the extent that such liability is indemnifiable under any other insurance policy;
- (g) arising out of the ownership or use of any aircraft other than model aircraft and hang gliders;
- (h) so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment, notwithstanding that no such enactment is in force or has been effected;
- (i) any claim in respect of Motor Liability unless such liability is indemnifiable by any of the Underlying Insurances, other than any claim excluded solely by reason of any territorial restrictions;
- (j) for any claim in respect of Watercraft Liability:
 - (i) unless such liability is indemnifiable by any of the Underlying Insurances, other than any claim excluded solely by reason of any territorial restrictions;
 - (ii) where the overall length of the watercraft exceeds 10,5 metres;
- (k) for loss of or damage to any self-propelled land vehicle, trailer, caravan, watercraft or aircraft in the Insured's care, custody or control;

- (l) arising out of any dishonest, fraudulent or malicious act of the Insured or acts of physical assault or seduction committed by the Insured;
- (m) for payment of any fine, penalty, multiple, punitive or exemplary damages or arising out of liquidated damages clauses, penalty clauses or performance warranties except to the extent that it can be proved that liability would have attached in the absence of such clauses or warranties;
- (n) for any debt;
- (o) for any failure to pay maintenance or alimony or any amounts following a breach of promise;
- (p) arising out of the purchase, sale, barter or exchange of any property, movable or immovable or the failure of the Insured to comply with any obligations in relation thereto;
- (q) for the first amount as stated in the Schedule of any claim arising from the suspension or termination of employment of any domestic servant;
- (r) arising out of any condition directly or indirectly caused by or associated with Human Immune Virus (HIV) or the mutants, derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome or any syndrome or condition of a similar kind, howsoever it shall be named;
- (s) arising out of:
 - (i) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, civil commotion assuming the proportions of or amounting to a popular rising, military rising, insurrection, rebellion, revolution, military or usurped power or any act of any person acting on behalf or in connection with any organisation with activities directed toward the overthrow by force of government de jure or de facto or to the influencing of it by terrorism or violence;
 - (ii) confiscation, nationalisation or requisition or destruction of or damage to property by or under the order of any government de jure or de facto or any public or local authority;
- (t) directly or indirectly caused by or contributed to by, or arising from:
 - (i) nuclear weapons material, ionizing, radiation or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion of any nuclear fuel;
 - (ii) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof;
- (u) arising out of:
 - (i) seepage, pollution or contamination, provided always that this Exclusion shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening;
 - (ii) the cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unexpected happening.

Nothing herein shall be construed as extending this insurance to indemnify the Insured for any liability which would not have been covered under this Insurance in the absence of this Exclusion (u);

- (v) whether actual or alleged, for any claim or claims in respect of loss or losses directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

5. Conditions

- (a) The indemnity granted by this Policy is conditional upon there being in force at the time of the occurrence an Underlying Insurance policy which substantially provides cover for the type of liability for which indemnity is sought hereunder and upon the Insured not being in breach of the condition of such an Underlying Insurance.
- (b) This Policy will be governed by the laws of the Republic of South Africa whose courts shall have exclusive jurisdiction in any dispute between the Company and the Insured.
- (c) Written notice should be given to the Company as soon as possible of any event that may give rise to a claim under this Policy and the Insured shall furnish such further information as the Company may reasonably require. Every claim, writ, summons or process and all related documents must be forwarded to the Company as soon as possible.

Inadvertent failure to give notice as aforesaid because the Insured could not reasonably have anticipated that the event would give rise to claim under this Policy will not be construed as a breach of this condition.

- (d) In respect of any claim not covered at least in part by an Underlying Insurance, the Company may take over and conduct in the name of the Insured the defence or settlement of any claim or prosecute in the name of the Insured for its own benefit and will have full discretion in the conduct of any proceedings and in the settlement of any claim. The Insured will give all any necessary information and assistance as may be required by the Company.
- (e) If the Indemnity granted by this Policy is covered by any other liability insurance, the Company will not pay more than its rateable proportion.
- (f) If any claim under this Policy is in any respect fraudulent, all benefit under this Policy in respect of such claim shall be forfeited.
- (g) This policy may be cancelled by either the Company or the Insured giving 30 days' written notice of such cancellation, provided that, if the premium is paid monthly and if the premium is not paid to Insurers within 7 days after it became due, the policy will be deemed to have been cancelled at midnight on the last day of the month for which premium was paid, unless the Insured can show that failure to make payment was an error on the part of their bank or other paying agent.
- (h) Payments under this Policy shall be payable in the currency of South Africa and or Namibia.
- (i) The due observance and fulfilment of all provisions in the Policy that require anything to be done or complied with by the Insured is precedent to any liability of the Insurers in respect of any occurrence for which the Insured makes a claim under this Policy.
- (j) The Company may, in the case of any occurrence, pay to the Insured the maximum indemnity limit (but deducting any sum or sums already paid) or any lesser sum for which the claim or claims can be settled and the Company shall thereafter be under no further liability in respect of such occurrence.
- (k) No admission, offer, promise or payment in relation to a claim under this Policy may be made or given by or on behalf of the Insured without the written consent of the Company. The Insured shall take all reasonable steps to ensure that the Underlying Insurers comply with this condition and co-operate with the Company in the defence and settlement of any claim which is indemnifiable both by an Underlying Insurance and this Policy, and in the exercise of any subrogation rights. The costs incurred in exercising such rights and any amounts recovered shall be apportioned to each party according to the sums paid or payable under the respective policies.
- (l) Premium is payable before the inception date or renewal date as the case may be. The Company shall not be obliged to accept premium tendered to it after such date, but may do so upon such terms as it in its sole discretion may determine.

SMALL CRAFT SECTION

Defined Events

Sub-Section A

Loss of or damage to the insured vessel (hereinafter in this Section termed Damage) including permanent fixtures & fittings while ashore, in transit by road or rail, or while afloat in inland and coastal waters as stated in the geographical limits under Sub-Section A.

Definitions To Sub-Section A

"Insured vessel"

The hull (with a length not exceeding 6 metres), inboard motors, outboard motors, rudder, propeller, hoardings, moorings, sails, spars, masts, rigging, permanent fixtures, fittings and equipment, of any vessel described in the Schedule.

Exceptions To Sub-Section A

The Company shall not be liable to pay for:

- (a) theft or attempted theft:
 - (i) if not accompanied by actual, visible and forcible means, of fixtures, fittings, equipment and outboard motors of the insured vessel, out of:
 - (1) an unattended transport vehicle, including a vessel;
 - (2) domestic outbuildings not communicating directly with any private residence;
 - (3) any other storage place;
 - (ii) of the outboard motors fitted to the insured vessel which are not securely bolted to it;
- (b) outboard motors of the insured vessel dropping off or falling overboard, while not securely chained or bolted to the insured vessel;
- (c) mechanical or electrical breakdown, gradual causes such as wear and tear, rust, mildew, corrosion or decay;

- (d) Damage caused by moths or vermin;
- (e) Damage to sails and hoardings torn by wind or blown away whilst hoisted;
- (f) Damage due to scratching, bruising or denting arising during transit, loading, or off-loading;
- (g) Damage to the insured vessel caused by or attributable to the insured vessel not being seaworthy;
- (h) Damage to the insured vessel which arises:
 - (i) outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi or Mozambique or outside a 20 Kilometre range from the shores of the Republic of South Africa, Namibia and Mozambique.
 - (ii) if the insured vessel is used for any purpose other than according to the Condition of Use;
 - (iii) from or in connection with any exchange, cash or credit sale agreement, including theft under false pretences and/or fraud;
- (i) boating clothes or crew's clothes and other personal effects, diving and fishing gear (including nets), water-skis, ski ropes and other sports equipment, food, fuel and other supplies, life belts and medical kit, binoculars, sextants, nautical books, nautical maps and any other non-permanent similar navigational equipment such as radar, fish finders, radios, television sets and other similar electronic equipment. If cover is required on such articles, they must be insured under the All Risks Section of this policy;
- (j) Damage to the vessel, inboard motors, outboard motors, rudder, propeller which is attributable to submerged objects under the water.

Extensions to Sub-Section A

The following Extensions shall be subject to all the terms, exceptions and conditions of this Sub-Section and (in so far as they can apply) of this policy.

1. Safeguarding and Delivery

The Company will pay the reasonable costs to;

- (a) store, safeguard and remove the insured vessel to the nearest repairer, if the insured vessel is not in working order, due to Damage insured under this section;
- (b) deliver the insured vessel to the Insured in the Republic of South Africa, Namibia, Lesotho, Botswana and Swaziland, whether before or after repair or reinstatement of Damage insured under this Section.

2. Inspection of the Hull After Stranding, Sinking or Collision

The Company will pay the reasonable costs incurred to inspect the hull of the insured vessel for damage due to stranding, sinking or collision of the vessel.

3. Costs to Prevent Loss

The Company will pay the reasonable costs incurred to prevent or lessen Damage insured under this Section.

4. Medical Expenses

The Company will pay medical expenses up to R2,000 for any one person for accidental bodily injury to any person inside or on the insured vessel, caused by the sinking or collision of the insured vessel with any object, except water, provided that, in respect of any one insured event, the Company's liability shall not exceed R10,000.

5. Submerged Objects

(If stated in the Schedule to be included)

Notwithstanding anything to the contrary contained in Specific Exception (j), this Section is extended to include Damage to the vessel including the inboard motors, outboard motors, rudder and propeller which is directly attributable to submerged objects under the water,

provided that any claim payable shall be reduced by the first amount payable stated in the Schedule.

Conditions to Sub-Section A

1. Use

The insured vessel may be used for social, domestic and pleasure purposes only.

Use for the following are **excluded**: racing, speed or other contests, competitions or tests (including regattas), or trials in connection therewith, or use in connection with any business, trade or occupation.

2. Basis of Indemnity

- (a) If the insured vessel is less than 5 years old, the basis for calculating indemnity shall be the cost to replace the insured vessel or part thereof with similar new property.
- (b) This basis does not apply to sails, hoardings, erected tackle, outboard motors, inboard motors and batteries. For these items the basis of indemnity will be the cost to replace the items up to the reasonable market value thereof.

If the insured vessel is older than 5 years, the basis for calculating indemnity shall be the cost to replace the insured vessel or part thereof up to the reasonable market value thereof.

3. Limit of Indemnity

The liability of the Company for Damage to the insured vessel shall be limited to the sum insured stated in the Schedule in respect of the insured vessel.

4. Average

If the insured vessel is less than 5 years old and it is established that, at the time of any loss or damage, the amount needed to replace the insured vessel - excluding sails, hoardings, erected tackle, outboard motors, inboard motors and batteries - with similar new property, exceeds the amount for which it is insured, the Insured will be considered as their own insurer for the difference and will bear a proportional share of the Damage accordingly.

If the insured vessel is older than 5 years and it is established that, at the time of any Damage, the amount needed to replace the insured vessel with similar property, exceeds the amount for which it is insured, the Insured will be considered as their own insurer for the difference and will bear a proportional share of the Damage accordingly.

This Condition applies separately to each item in the Schedule.

5. Unavailable Parts

If a part necessary for the repair of the insured vessel is not available in the Republic of South Africa or Namibia as a standard (ready-made) part, the insurer will pay an amount equal to the value of the part at the time when the Damage occurred. The amount includes the reasonable cost to transport the part (excluding air transport). The value of the part will be determined by the price stated in the most recent catalogue or price list.

6. Interest of Title Holder

If a valid claim occurs and the Company knows that the vessel is the subject of an extended sales agreement, the Company will pay the title holder stated in the agreement. The Company will only pay the title holder up to the outstanding amount in accordance with the agreement and any further amount payable will be paid to the Insured.

7. Due Diligence

The Insured shall take all reasonable steps to maintain the vessel, trailer and other property insured by this Section in a proper state of repair and in a sea- and roadworthy condition and shall, at all times, exercise all reasonable precautions for the safety of such property and to prevent loss, damage and accidents.

8. Geographical Limits

The Company shall not be liable in respect of any accident, injury, loss, damage and/or liability caused, sustained or incurred:

- (a) outside the territorial limits of the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Mozambique, Zimbabwe and Malawi;
- (b) beyond a cruising range of 20 Kilometres from the coast of the Republic of South Africa, Namibia and Mozambique.

Sub-Section B

Liability to Third Parties

The Company will indemnify the Insured against all sums which the Insured shall become legally liable to pay as Compensation, including claimant's cost and expenses, due to an occurrence in connection with the insured vessel,

provided that, in respect of any one Defined Event, the Company's liability shall not exceed R1,000,000.

Definitions to Sub-Section B

"Insured Vessel"

The hull (with a length not exceeding 6 metres), inboard motors, outboard motors, rudder, propeller, hoardings, moorings, sails, spars, masts, rigging, fixtures, fittings and equipment of any vessel described in the Schedule.

"Occurrence" -

An occurrence which leads to:

- (a) accidental death or illness of, or bodily injury to, any person;
- (b) accidental physical loss of, or damage to tangible property (hereinafter termed Damage;)
- (c) legal costs and expenses:
 - (i) which a claimant can recover in connection with a valid claim under this Section;
 - (ii) incurred with the Company's written consent.

Extensions to Sub-Section B

1. Liability of Water Skiers and/or Parasailers

The Company will indemnify the Insured against all sums which the Insured shall become legally liable to pay as compensation due to an occurrence while a water-skier or parasailer is being towed by the insured vessel,

provided that, in respect of any one insured event, the Company's liability shall not exceed R1,000,000.

The Company shall not be liable:

- (a) if the water-skier or parasailer is entitled to indemnity under another policy;
- (b) for accidental death or illness of, or bodily injury to, a person who is a member of the household or family of the water-skier or parasailer, or a person in the service of the water-skier or parasailer, if the death, bodily injury or illness arises from such service;
- (c) for accidental Damage to property belonging to, or kept in trust by, or under the charge or control of, or in the custody of the water-skier or parasailer, or any member of the household or family of the water-skier or parasailer, or any person in the service of the water-skier or parasailer;
- (d) if the water-skier or parasailer does not comply with the terms, exceptions and conditions of this policy.

2. Liability if Owner/Insured is not the Navigator

The Company will indemnify any navigator against all sums which such navigator shall become legally liable to pay as compensation due to an occurrence in connection with the insured vessel, while such navigator navigates the insured vessel,

provided that, in respect of any one insured event, the Company's liability shall not exceed R1,000,000.

The Company shall not be liable if the navigator:

- (a) navigates the insured vessel without the Insured's express or implied permission;
- (b) is entitled to indemnity under another policy;
- (c) does not comply with the terms, conditions and exceptions of this policy;
- (d) was refused any insurance for a sail-boat, motor-boat or small craft or continuance thereof by an insurer.

3. Costs of Lifting Out, Removal or Destruction

The Company will indemnify the Insured against costs incurred with the Company's written consent, for lifting out, removal or destruction of the wreckage of the insured vessel.

Exceptions to Sub-Section B

The Company shall not be liable to pay for:

- (a) legal costs and expenses incurred after the date on which the Company has paid or has offered to pay either the full amount of a claim, or a lesser amount for which a claim can be settled, or the maximum amount for which the Company is liable in terms of this Sub-Section;

- (b) liability, costs or expenses:
 - (i) due to advice or treatment given or supplied by the Insured or a person acting on the Insured's behalf;
 - (ii) which arise during the transport of the insured vessel by road;
 - (iii) due to an occurrence further than 20 Kilometres from the shoreline of the Republic of South Africa, Namibia and Mozambique;
 - (iv) which arise if the insured vessel is used for any purpose other than according to the "Use" Condition to this Sub-Section;
- (c) liability due to accidental death or illness of, or bodily injury to, the Insured or a member of the Insured's household or family, or a person who pays fare whilst in or on the insured vessel, or any person in the Insured's service, if the liability arises from such service;
- (d) liability due to accidental Damage to property:
 - (i) belonging to, or kept in trust by, or under the charge or control of, or in the custody of the Insured, a member of the Insured's household or family, or any person in the Insured's service;
 - (ii) being transported, or to be transported in or on the insured vessel.

GENERAL CONTACT DETAILS

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Vat number: 3721345015

Type Of Policy

Agricultural

Premium Obligations by Policyholder

The amount of premium due and payment frequency is contained in the Schedule of Insurance.

Please note that your premium is payable in advance and that you will only be covered for that period in respect of which your premium has already been paid.

It is your duty to check with your bank to ensure that your premium has been deducted from your account and paid to the Company or its Service Provider.

If the premium is not received on due date, a double premium will be collected the following month. If the double premium is also not received, your policy will be considered cancelled from 24h00 on the last day of the month for which premium was received. You must also inform us immediately if you change your banking details.

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