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## OPERATIVE CLAUSE

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

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

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

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

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

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

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

## GENERAL CONDITIONS

Subject to the provisions of Section 55 of the Short Term Insurance Act No. 53 of 1998 (as amended)

### 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. NOTIFICATION OF ALTERATIONS

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

### 3. ADJUSTMENT OF PREMIUM

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

### 4. PREVENTION OF LOSS

The Insured must take all reasonable steps and precautions to prevent accidents or losses.

5. OTHER INSURANCE

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

6. CHANGE OF INTEREST

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

7. CLAIMS

(a) Notice

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

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

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

(c) Injuries

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

(d) Legal Processes

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

(e) No Admission of Liability

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

(f) Prescription

(i) The Company shall not be liable for any loss or damage (other than a claim under the Business Interruption, Fidelity Guarantee, Personal Accident, Stated Benefits or Group Personal Accident Sections or the Personal Accident (Assault) Extension under the Money Section, (if applicable) after the expiry of 24 (twenty four) months from the occurrence of loss or damage unless the claim is the subject of a pending court action or arbitration or unless the claim is in respect of the Insured's liability against a third party.

- (ii) If the Company repudiates liability in respect of any claim and a summons is not served upon the Company within 6 (six) months after such repudiation or in the event of arbitration taking place in terms of General Condition 14 of this Policy within 6 (six) months after the arbitrator(s) or umpire has passed judgement all benefits in terms of this Policy in respect of such claim shall be forfeited.

(g) **Limitation of Liability**

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

**8. FRAUD**

If any claim 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, then all benefits afforded under this Policy shall be forfeited.

**9. COMPANY'S RIGHTS AFTER AN EVENT**

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

**10. REINSTATEMENT OF COVER AFTER A LOSS**

Not applicable to stock on a declaration basis Personal Accident, Personal Liability, Extended Personal Legal Liability, Motor, Public Liability, Irrigation Systems on Wheels and Centre Pivots, Group Personal Accident, Stated Benefits, Transit, Single Transit, Single Transit – Pedigreed Animals, Livestock, Game and Ostriches, Motorboat, Yacht and Small Craft, Deterioration of Stock (Machinery Breakdown) Extended Liability Limits nor to any other Section where it is stated to be not applicable.

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

**11. BREACH OF CONDITIONS**

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

## 12. RIGHTS OF THE INSURED

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

## 13. CANCELLATION

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

PROVIDED THAT:

- (a) in the event of cancellation by the Company 30 (thirty) days notice thereof be given in writing to his/her/their last known address;
- (b) in the event of cancellation by the Insured, immediate notice thereof be given in writing;

and should premium be paid at a frequency of more than one premium per annum the Company shall on cancellation retain all such premiums paid. Should the premium, however, be paid annually, the Company shall on exercising its right of cancellation, return to the Insured the premium less the pro rata portion thereof for the period the insurance has been in force, but should the Insured request cancellation, the Insured shall be entitled to a return of the premium less premium at the Company's short period rates for the time the insurance has been in force.

Should the Insured request cancellation of the Section for Pedigreed Animals no premium returns shall be made applicable to any extensions of cover that might be in force.

## 14. ARBITRATION

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

## 15. CLAIMS PREPARATION COSTS

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

PROVIDED THAT:

the liability of the Company shall not exceed R20 000 (twenty thousand rand) any one Section or the amount stated in the Schedule to each Section against an item for additional claims preparation costs whichever is the greater.

## 16. PREMIUM PAYMENTS MORE THAN ONCE PER ANNUM

### (a) Definitions

For the purpose of this Policy the expression:

"period of insurance" used in this Policy shall mean - that period for which the Insured has paid to the Company the premium required by the Company for the insurance under such Policy or subject to the proviso of General Condition 16(c) (period of insurance) of this Policy, undertook to pay such premium to the Company

"term of insurance" used in this Policy shall mean - a term corresponding with the period stated opposite the words "period of insurance" in the Schedule of this Policy or Section(s) of the Policy for which short term cover may apply and any one term of 12 (twelve) consecutive months consecutively thereafter.

(b) Premium Payments

- (i) By acceptance of this insurance the Insured authorises the Company to draw the amount of the premium required by the Company for the insurance under this Policy on the account at the Institution named in the Schedule (or, should the Company receive notice of the change of Institution, on the account at the Institution of which the Company has been notified) in accordance with the "premium payment frequency" (as stated in the Schedule)

PROVIDED THAT:

if the aforesaid Institution fails to make payment on request the Policy will remain in force for two terms of the contract for which premiums have not been received. The Insured will after the first month of non-payment of premium by the Institution pay 2 (two) premiums by debit order.

When two debit orders are submitted to the aforesaid Institution and only one is paid this money will be used to clear the oldest debt.

If the premium is paid annually in advance by means of one debit order and that debit order is returned unpaid, cover will remain in force for two further months. The debit order for the unpaid premium will again be submitted for payment during the next month.

Should the Insured have a claim during the term of the contract in respect of which the debit order has been unpaid, the Insured must first settle the outstanding premium before the claim can be processed.

If the aforesaid Institution still fails to make payment the insurance under this Policy shall (notwithstanding anything to the contrary contained in this Policy) be deemed to have been cancelled (or, if paragraph (ii) is applicable, to have terminated) on the last day of the uninterrupted period for which the Insured has in fact paid premium to the Company unless the Insured can show that failure to make payment was an error on the part of the Institution.

All premiums already paid shall be retained by the Company.

- (ii) Should payment of the premium required by the Company for the insurance under this Policy, be recommended subsequent to the insurance under this Policy having been terminated as mentioned in paragraph (i) hereof and should the Company agree to accept such payment, the insurance under this Policy will be continued subject however, to the stipulations contained in the aforesaid paragraph (i) and on the strict understanding that the Company shall not be liable in respect of any contingency (falling within the ambit of the cover of this Policy) having occurred or arisen during the period extending from the day (as mentioned in the aforesaid paragraph (i)) on which the insurance under this Policy has been terminated to the immediate preceding date on which the Company has received the first premium payment thereafter.

(c) Period of insurance

Except if the premium required by the Company for one year's insurance under this Policy is paid annually and/or a premium for any short term period in terms of a specific Section of this Policy is paid in advance in one amount the period of insurance of this Policy shall not be a term of one year but such period of insurance shall be regarded to be a term which corresponds with the "premium payment frequency" (as stated in the Schedule).

17. PAYMENTS ON ACCOUNT

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

18. LIMITATIONS AND AMENDMENTS

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

PROVIDED THAT:

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

## 19. JURISDICTION CLAUSE

The Company will not indemnify the Insured in respect of:

- (a) damages in respect of judgements delivered or obtained in the first instance otherwise than by a Court of Competent Jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland
- (b) costs and expenses recoverable by any claimant from the Insured which are not incurred in and recoverable in the area described in 19(a) above.

## 20. COLLECTIVE INSURANCE

If this insurance is a collective insurance then the following amendment is made to General Condition 7(a) and 7(d) above,

"the Insured shall give the Leading Insurer on behalf of the Insurers such proofs, information and sworn declaration as the Insurers may require and forward to the Leading Insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim"

and General Condition 9 is substituted by the following

"9. Company's rights after an event

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

## 21. FIRST AMOUNT PAYABLE

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

## 22. MEMBERS

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

23. HOLDING COVERED

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

24. SCHEDULE SUMS INSURED BLANK

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

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

this means the Defined Event or circumstance shown in the Schedule is not insured by the Policy.

25. SECURITY FIRMS

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

The Company shall not raise as a defence to any valid claim submitted under any Section or 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.

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



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

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

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

## 2. NUCLEAR LOSSES

This Policy does not cover any legal liability, loss, damage, cost, expense, death or bodily injury whatsoever or any consequential loss directly or indirectly caused by or contributed to by or arising from:

- (i) ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- (ii) nuclear material, nuclear fission or fusion, nuclear radiation;
- (iii) nuclear explosives or any nuclear weapon;
- (iv) nuclear waste in whatever form;

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

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

## 3. ASBESTOS EXCLUSION

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

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

## 4. COMPUTER LOSSES

General Exception applicable to all Sections of this Policy insuring damage to property or the consequences of damage to property or any liability.

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

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

(c) any consequential loss;

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

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

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

#### Special Extension to above Computer losses General Exception 4

(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 Personal Accident, Glass, Employers Liability, Stated Benefits, Group Personal Accident, Motor or Motor Boat, Yacht and Small Craft Sections is not excluded by this General Exception.

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

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

Unless so described and specifically insured as a separate item

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

(B) The above General Exception 4 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.

## OMBUDSMAN

Only applicable to the Personal Lines of insurance as contained herein.

The Company undertakes to meet any claims covered by this Policy honestly, fairly and promptly. Should you have any reason to believe that the Company has not done so, and you wish to make a complaint, please in the first instance contact your Agent/Broker or if you do not have a professional adviser please contact the representative of your Insurer stated in the Schedule. He/she will be ready to help you with your problems.

In the unlikely event that you are still not satisfied you have the right to make an appeal to the Insurance Ombudsman. Although his findings are not binding on insurers, the Company is happy to give you the assurance that the Company will abide by any decision made by the Ombudsman.

## HOUSEOWNERS

### DESCRIPTION OF BUILDINGS REFERRED TO HEREIN

The building(s) of the private dwelling house(s) and all private garages, domestic outbuildings and domestic apartments of which the situation is as stated in the Schedule and constructed of brick, stone or concrete and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the Schedule including walls, gates and machinery thereof, fences (other than hedges), spa baths, sauna rooms, jacuzzis, sunken swimming pools including the filtration equipment and spa, sauna, jacuzzi and swimming pool machinery (other than automatic pool cleaning equipment), pool safety nets and covers, tennis courts, squash courts, domestic water tanks and structures thereof, domestic borehole pumps and electrical motors and other domestic water supplying equipment (excluding windmills and its equipment), electrical air conditioners, solar heating systems, brick, tar or concrete driveways and patios on the same premises and used solely in connection therewith including landlord's fixtures and fittings therein or thereon.

## CONTINGENCIES

### DEFINED EVENTS

#### SUB-SECTION A – PROPERTY

#### LOSS OR DAMAGE CAUSED BY ANY OF THE UNDERMENTIONED PERILS TO THE BUILDINGS DESCRIBED IN THE SCHEDULE

1. Fire, lightning, explosion
2. Earthquake
3. Storm, flood, wind, water, hail or snow, but excluding loss or damage:
  - (a) that arises from property undergoing any process necessarily involving the use or application of water
  - (b) as a result of wear and tear or gradual deterioration
  - (c) caused by subsidence or landslip
  - (d) to retaining walls
  - (e) to gates and fences not constructed of stone, concrete or brick
4. Aircraft and other aerial devices or articles dropped therefrom
5. 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 apparatus or pipes and the accidental leakage of oil from fixed oil heating installations
6. Impact
7. Theft/housebreaking or any attempt thereof of landlord's fixtures and fittings in or on the buildings as defined including solar heating systems detached from the building(s) at the premises, but excluding theft whilst the private dwelling and all private garages, domestic outbuildings and domestic apartments are left vacant or is lent, let or sub-let in whole or in part (provided that for the purpose hereof the accommodation of paying guests, boarders or lodgers not exceeding 3 (three) in number shall not be deemed to be lending, letting or sub-letting of the building) unless such theft is accompanied by visible, forcible and violent entry into or out of the buildings
8. Malicious damage (as described in Sub-Section H).

## SUB SECTION B - DAMAGE TO PUBLIC SUPPLY OR MAINS CONNECTIONS

This Section covers accidental loss of or damage to water, sewerage, gas, electricity and telecommunication connections and other underground pipes the property of the Insured or for which the Insured is legally responsible between the described buildings and the public supply or mains.

## SUB SECTION C - LOSS OF RENT

This Section covers loss of Rent as a result of the private dwelling insured so damaged by any of the perils specified as to be rendered untenable but only for the period necessary for reinstatement and for an amount not exceeding 25% (twenty five percent) of the sum insured for which the afore-mentioned private dwelling is insured in terms of this Section. The basis of calculation shall be the annual rent of the afore-mentioned private dwelling unfurnished or its equivalent in rental value.

## SUB-SECTION D - PROPERTY OWNER'S LIABILITY

This Section covers:

- (a) All sums for which the Insured is legally liable as owner (and not as a private householder occupying the building) of the premises for compensation in respect of
  - (i) death of or bodily injury to or illness of any person
  - (ii) physical loss of or physical damage to tangible propertyoccurring during the Period of Insurance as a result of an accident
- (b) All legal costs and expenses
  - (i) recovered by any claimant against the Insured
  - (ii) incurred with the written consent of the Companyin respect of a claim against the Insured for compensation to which the indemnity expressed in this Sub-Section applies

PROVIDED THAT:

the amount payable in respect of any one accident or series of accidents arising out of one event will not exceed R5 000 000 (five million rand) inclusive of all compensation and all legal costs and all other costs and expenses.

The indemnity provided by this Sub-Section does not apply to nor include the following:

- (a) liability assumed by the Insured by agreement and which would not have attached in the absence of the agreement
- (b) liability in respect of death of or bodily injury to or illness of any person who is a member of the Insured's household or family whether residing with the Insured or not
- (c) liability in respect of death of or bodily injury to or illness of any person under a contract of service or apprenticeship with the Insured if the liability is in respect of death, bodily injury or illness arising out of and in the course of the employment of the person by the Insured
- (d) liability in respect of loss of or damage to property belonging to or in the charge or under the control of the Insured or of any servant or agent of the Insured or of a member of his family or household
- (e) liability in respect of death, bodily injury, illness, loss or damage caused by or in connection with or arising from
  - (i) any profession or business of the Insured
  - (ii) the ownership or possession or use by or on behalf of the Insured of lifts or mechanically propelled vehicles or trailers other than pedestrian controlled gardening implements

- (iii) deliberate or malicious acts
- (iv) explosives
- (f) any fines or penalties or punitive, exemplary or vindictive damages

PROVIDED THAT:

this proviso shall not extend this Sub-Section to cover any liability which would not have been insured under this Section in the absence of this proviso

- (g) liability in respect of
  - (i) claims for compensation, legal costs and expenses for death, any injury, illness, loss or damage directly or indirectly caused by or by means of or as a result of or originating from or attributable to seepage, pollution or contamination provided always that this proviso shall not apply to claims for compensation and/or legal costs and expenses in respect of the accidental death of or bodily injury to or illness of any person or accidental physical loss of or damage to tangible property where such seepage, pollution or contamination is directly caused by a sudden unintended and unforeseen occurrence during the period of insurance
  - (ii) any costs of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is directly caused by a sudden, unintended and unforeseen occurrence during the period of insurance

PROVIDED THAT:

this proviso shall not extend this Sub-Section to cover any liability which would not have been insured under this Section in the absence of this proviso

- (h) claims for compensation and legal costs and expenses in respect of death, injury or illness attributable to a gradual working cause which did not occur from a sudden and identifiable accident or occurrence
- (i) costs and expenses incurred subsequent to the date on which the Company has paid or offered to pay either the full amount of the claim or the total amount recoverable in respect of any occurrence.

#### SUB-SECTION E - ACCIDENTAL BREAKAGE OF GLASS AND SANITARYWARE

This Section covers accidental breakage (but only whilst the private dwelling be furnished and occupied) of fixed glass and mirrors against walls and in windows, doors, fan lights, roof windows, solar heating systems, greenhouses, conservatories and veranda's, stove glass tops, fixed wash basins, baths, pedestals, sinks, lavatory pans, splash backs and cisterns (but excluding chipping, scratching and other disfiguration) forming part of the building.

#### SUB-SECTION F - AERIALS AND SATELLITE DISHES

This Section covers damage to aerials and satellite dishes caused by breakage or collapse thereof.

#### SUB-SECTION G - ACCIDENTAL DAMAGE TO MACHINERY FOR DOMESTIC USE

This Section covers sudden accidental loss of or damage (excluding wear and tear) to fixed machinery, for domestic use only, of swimming pools (excluding automatic pool cleaners), jacuzzi's, boreholes (excluding windmills), spray irrigation systems, filtration equipment, electrical air conditioners, solar heating systems (fixed to the building(s) or otherwise), electrical gates and motor garage doors installed at the private dwelling of the Insured

PROVIDED THAT:

the liability of the Company is limited to the amounts stated below in respect of each and every claim applicable to

- (a) all property as specified excluding solar systems – R5 000 (five thousand rand)
- (b) solar systems (fixed to the building(s) or otherwise) – R10 000 (ten thousand rand)

or the amount stated in the Schedule in respect of (a) or (b) above whichever is the greater.

#### SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION G

The Company shall not be liable in respect of:

- (i) loss or damage directly or indirectly caused by rust, or consequent upon the outflow of water from any container, 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 his 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 afore-mentioned machinery or provided for in terms of a service contract in respect of such machinery
- (viii) the first amount payable stated below in respect of each and every claim:
  - (a) property as specified excluding solar panels – R500 (five hundred rand)
  - (b) solar systems – 10% of claim – minimum R2 500 (two thousand five hundred rand)

#### SUB-SECTION H - MALICIOUS DAMAGE

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

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



the said immovable property or any part thereof with the intention of stealing any part thereof.

Provided that this Sub-Section does not cover

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

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

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

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

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| SPECIFIC CONDITIONS, CLAUSES AND EXTENSIONS |
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#### 1. REINSTATEMENT VALUE

In the event of the building 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:

- (a) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch (and in any case must be completed within 12 (twelve) months after the destruction or damage or within such further time as the Company may (during the said 12 (twelve) months) in writing allow), otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;
- (b) until expenditure has been incurred by the Insured in replacing or reinstating the property, the Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
- (c) if, at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a Defined Event, then the Insured shall be considered as being their own insurer for the excess and shall bear a rateable share of the loss accordingly. Each item of this Section, if more than one, to which these conditions apply shall be separately subject to this provision;
- (d) these conditions shall be without force or effect if:
  - (i) the Insured fails to intimate to the Company within 6 (six) months of the date of damage or such further time as the Company may in writing allow, their intention to replace or reinstate the property;
  - (ii) the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

## 2. REBUILDING COSTS

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

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

PROVIDED THAT:

the liability of the Company in respect of these costs payable in addition to any other payment for which the Company may be liable in terms of this Section will not exceed 20% (twenty percent) of the Sum Insured.

## 3. 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% (fifteen percent) of the sum insured thereon, it being understood that the Insured undertake to advise the Company as soon as possible of such alterations, additions and improvements and to pay the appropriate additional premiums thereon.

## 4. 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 Defined Event as defined under Sub-Section A- Property

PROVIDED THAT:

- (a) the Company's liability will not exceed R5 000 (five thousand rand) any one occurrence
- (b) such costs will be subject to the Company's prior written consent
- (c) the Insured will be responsible for the first R250 (two hundred and fifty rand) in respect of any one occurrence.

## 5. MORTGAGEE

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

## 6. FIRE EXTINGUISHING CHARGES

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

## 7. 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 loss or damage not insured by this Section;
    - (iii) under which notice has been served upon the Insured prior to the happening of the damage;
    - (iv) in respect of undamaged 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 in any case must be completed within twelve months after the destruction or damage or within such further time as the Company may (during the said 12 (twelve) months) in writing allow 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.

8. 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.

9. WORKMEN

Contractors may be working in or on any of the within described buildings without prejudice to this insurance.

10. UNDERINSURANCE

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

11. INFLATION

The sum insured in respect of buildings insured hereby will be increased automatically each month by a percentage commensurate with price indices.

No premium adjustment will be made until anniversary date when the premium will be calculated on the adjusted sum insured. This does not relieve the Insured of his/her responsibility to ensure that the sums insured represents the full replacement value of the property at all times.

12. **COMPULSORY FIRST AMOUNT PAYABLE (Other than in respect of premises not in use)**

The Insured shall be liable for the first R500 (five hundred rand) of each and every claim in respect of the perils described in Sub-Section A – Property of this Section.

13. **COMPULSORY FIRST AMOUNT PAYABLE (Premises not in use)**

In the event of any property hereby insured not being used as a permanent residence and not being occupied as such the Insured shall be liable for the first R1 500 (one thousand five hundred rand) in respect of each and every occurrence giving rise to a claim in respect of Sub-Section A - Property (of which the cause arose whilst such property was unoccupied). This amount is not payable in addition to any other first amount that may be applicable.

14. **BUILDER'S RISK**

The following conditions are applicable whilst the property described in the Schedule is under construction or subject to additions or alterations and until it is finally completed, this Section will be deemed to read as follows:

(a) The following Perils of Sub-Section A are cancelled:

5, 7 and 8

(b) Peril 3 is cancelled and replaced by the following:

"3. Storm but excluding loss or damage:

- (i) caused by subsidence or landslip
- (ii) as a result of wear and tear or gradual deterioration
- (iii) to all fences and gates
- (iv) to retaining walls"

(c) Peril 6 is cancelled and replaced by the following:

"6. Impact with any of the buildings by any vehicle or animal except vehicles or animals belonging to, in the custody of, and/or under the control of any contractor or subcontractor or any of their employees whilst engaged with;

- (i) the construction of or completion of the insured property
- (ii) architectural alterations and/or additions to and/or restoration to the insured property or the completion of such alterations, additions or restoration"

(d) Sub-Section B - Damage to public supply or mains connections is cancelled

(e) Sub-Section C - Loss of Rent is cancelled

(f) Sub-Section D - Property Owner's liability is cancelled

(g) Sub-Section E - Accidental breakage of glass and sanitaryware is cancelled

- (h) Sub-Section F - Aerials and satellite dishes is cancelled
- (i) Sub-Section G - Accidental Damage to Machinery for domestic use is cancelled

15. LIGHTNING CONDUCTORS

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

16. DOMESTIC BOREHOLE PUMPS AND ELECTRICAL MOTORS (Excluding windmills and its equipment)

The Insured is liable for the first R500 (five hundred rand) of each and every claim in respect of any damage to or loss of any domestic borehole pump and/or electrical motor and electrical switchgear thereof (excluding windmills and its equipment) caused by any of the perils as referred to in Sub-Section A.

PROVIDED THAT:

this amount is payable in addition to any other First Amount Payable that may be applicable.

17. DISCOMFORT COVER

In the event of a total loss of the premises caused by any insured peril for which the Company had indemnified the Insured, an additional amount of R5 000 (five thousand rand) will be paid to the Insured for any discomfort suffered.

18. SECURITY GUARDS

The Company will indemnify the Insured for costs reasonably and necessarily incurred in employing security guards following loss of or damage to any insured building(s) caused by an insured event

PROVIDED THAT:

the Company's Liability will not exceed R10 000 (ten thousand rand) in respect of any one occurrence.

19. LOSS OF WATER BY LEAKAGE

The Company will indemnify the Insured for costs of water lost through leakage from pipes on the Insured's property where the Insured is responsible to pay the charge for such water subject to the following:

- (a) in the event of the quarterly reading of water consumption exceeding the average of the previous 4 (four) quarterly readings by 50% (fifty percent) or more the Company will indemnify the Insured for the cost of such additional water consumed up to a limit of R5 000 (five thousand rand)
- (b) up to R5 000 (five thousand rand) shall be payable for not more than two separate incidents in any 12 (twelve) month period of insurance
- (c) it shall be a condition precedent to liability under this Extension that the Insured shall upon discovery of a leak (by physical evidence or on receipt of an abnormally high water account) take immediate steps to repair the pipe(s) affected
- (d) this Extension does not cover the cost of remedial action including repairs to pipe(s) affected
- (e) the Company shall not be liable for claims
  - (i) as a result of leaking taps, geysers, toilet systems and swimming pools
  - (ii) whilst the property is unoccupied for a period in excess of 30 (thirty) 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.

**20. DAMAGE TO GARDEN**

Costs reasonably and necessarily incurred by the Insured in the Insured's capacity as owner of the Buildings for the replacement of trees, shrubs and plants situated at the Premises following damage due to any insured peril as defined under Sub-Section A – Property of this Section

PROVIDED THAT:

- (a) the Company's liability will not exceed R5 000 (five thousand rand) in respect of any one occurrence
- (b) the Insured will be responsible for the first R250 (two hundred and fifty rand) in respect of any one occurrence.

**21. SUBSIDENCE AND LANDSLIP – LIMITED COVER**

Notwithstanding anything to the contrary contained in Contingency A 3 . (c) this Section is extended to cover:

Damage caused by Subsidence and Landslip

PROVIDED THAT:

the property stated in the Schedule shall not exceed three stories in height.

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

PROVIDED THAT:

this Extension does not cover:

- (a) damage to drains, watercourses, boundary walls, garden walls , retaining walls, gates, posts, pillars or fences, driveways, pavings, swimming pool surroundings or tennis courts
- (b) damage caused by or attributable to
  - (i) shrinkage or expansion of soil due to the moisture or water content of such soil as experienced in clay and other similar kind or types of soil;
  - (ii) damage which exist prior to inception of this Extension;
  - (iii) faulty design or construction, insufficient compacting or filling or the removal or weakening of support to any building(s) stated in the Schedule;
  - (iv) workmen engaged in making any structural alterations, additions or repairs to any buildings situated at the insured premises;
  - (v) excavation on or under land other than excavations in the course of mining operations
- (c) consequential loss or consequential damage, of any kind whatsoever except loss of Rent when specifically insured under this Section.

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

**22. MECHANICAL BREAKDOWN (Electrical Stoves only)**

Notwithstanding anything contained herein to the contrary this Section is extended to cover:

Accidental mechanical or electrical breakdown of any electrical stove whilst in the buildings on the premises as described in the Schedule

PROVIDED THAT:

the Company will not be liable in respect of:

- (a) damage arising from wear and tear, depreciation, mildew, rust, moth, vermin, insects, larvae, any process of cleaning, dyeing, repairing or restoring, gradual deterioration which includes the action of light, atmospheric or climatic conditions;
- (b) scratching, abrading, denting or chipping;
- (c) damage arising from faulty or defective design materials or workmanship;
- (d) damage arising from inherent vice or latent defect;
- (e) damage arising from lack of maintenance;
- (f) damage arising through any disregard of the manufacturer's instructions relating to the operation of any electrical stove;
- (g) damage for which provision is made in terms of the guarantee or warranty issued by the manufacturers of any electrical stove;

PROVIDED THAT:

- (i) Specific Condition 10 - Underinsurance shall not be applicable;
- (ii) the Liability of the Company in respect of any one occurrence shall not exceed R10 000 (ten thousand rand) or the amount per item as stated in the Schedule whichever is the greater;
- (iii) the Company shall not be liable for the first R500 (five hundred rand) in respect of each and every occurrence.

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| SPECIFIC EXCEPTIONS |
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This Section does not cover:

- (a) consequential loss or consequential damage of any kind whatsoever except in the case of loss of Rent as provided for in this Section;
- (b) any loss or damage as a result of structural defects, faulty design, defective workmanship, lack of maintenance, normal wear and tear, corrosion, inherent vice and latent defect;
- (c) loss of or damage to domestic borehole pumps and electrical motors (as described in the Operative Clause) which are situated below the normal flood levels of rivers and streams.

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| ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE |
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1. SUBSIDENCE AND LANDSLIP

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

Damage caused by Subsidence and Landslip

PROVIDED THAT:

the Insured shall bear the first R5 000 (five thousand rand) in respect of any one loss or damage. This amount is payable in addition to any other First Amount Payable that may be applicable.

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

PROVIDED THAT:

this Extension does not cover:

- (a) damage to drains, watercourses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
- (b) damage caused by or attributable to
  - (i) faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises;
  - (ii) workmen engaged in making any structural alterations, additions, or repairs to any building situated at the insured premises;
  - (iii) excavation on or under land other than excavations in the course of mining operations
- (c) consequential loss or consequential damage, 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 this Extension, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

## 2. EARTHQUAKE

Notwithstanding anything to the contrary contained in Sub-Section A Peril 2 it is hereby declared and agreed that it is amended to read as follows:

"2. Earthquake excluding any loss or damage (except loss or damage by fire) arising from mining operations."

## 3. RIOT AND STRIKE

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

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

Provided that this Extension does not cover:

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



- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1 (A), (ii), (iii), (iv), (v) or (vi) of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

## HOUSEHOLDERS

### DEFINED EVENTS

1. Loss of or damage to the whole or part of the insured property by any of the perils specified in Sub-Section A subject to specific conditions in respect of Perils 8 and 9 – Theft.
2. Loss and/or additional expenses described in Sub-Section B.

### DEFINITIONS

Insured Property means:

- (i) Household goods and Personal Effects (including money and negotiable instruments up to R2 500 (two thousand five hundred rand)
- (ii) Business goods and equipment up to R30 000 (thirty thousand rand) excluding stock-in-trade and equipment relating to the home industry

and fixtures and fittings (not being landlords fixtures and fittings) the property of the Insured or for which the Insured is responsible or property of any member of the Insured's family normally residing with the Insured in:

- (a) the buildings of the Insured's private residence and its domestic outbuildings or on the premises (excluding business goods and equipment) situated at the risk address stated in the Schedule
- (b) any other occupied private residence
- (c) any building in which the Insured is temporarily residing
- (d) any building in which the Insured is employed
- (e) any furniture storage depot, bank or safe deposit box
- (f) any other building

### SUB-SECTION A – PROPERTY

Insured perils

1. Fire, lightning, explosion
2. Earthquake
3. Storm, flood, wind, water, hail or snow excluding loss or damage to property:
  - (a) in the open unless the property is designed to exist or operate in the open
  - (b) that arises from undergoing any process necessarily involving the use or the application of water
  - (c) as a result of wear and tear or gradual deterioration
4. Aircraft and other aerial devices or articles dropped therefrom
5. Bursting, leaking or overflowing of water apparatus, pipes or fixed oil-fired heating apparatus (excluding damage caused thereto)

6. Impact
7. Malicious Damage (as described in Extension 23)
8. Theft or attempted theft from:
  - (a) the private residence excluding theft whilst the building or any part thereof are left vacant or be lent, let or sub-let (provided that for the purpose hereof the accommodation of paying guests, boarders and lodgers not exceeding 3 (three) in number shall not be deemed to be lending, letting or sub-letting of the building) by the Insured unless such theft is accompanied by visible, forcible and violent entry or exit
  - (b) any domestic outbuildings not directly communicating with the private residence limited to R10 000 (ten thousand rand) or the amount stated in the Schedule whichever is the greater unless there is visible, forcible and violent entry or exit
  - (c) any furniture, storage depot, bank or safe deposit box
  - (d) any other occupied private residence
  - (e) any building in which the Insured is temporarily residing
  - (f) any building in which the Insured is employed
  - (g) any other building provided there is visible, forcible and violent entry or exit
9. Theft:
  - (a) of laundry, garden and swimming pool furniture, garden maintenance equipment, automatic pool cleaning equipment, pool safety nets and pool coverings of a similar nature from the grounds of the dwelling up to R10 000 (ten thousand rand) any one claim
  - (b) in transit while being moved during a permanent change in the risk address
  - (c) while in transit to or from a furniture storage depot or a bank safe deposit
  - (d) or attempted theft while in transit in the Insured's or authorised representative's custody to or from any place of purchase, repair or renovation following an accident to the conveying motor vehicle or theft following forcible and violent entry into the vehicle up to an amount of R10 000 (ten thousand rand) any one event.

#### SUB-SECTION B – RENT

If the private residence becomes uninhabitable because of loss or damage caused by a peril as defined in Sub-Section A the Company will, for the period necessary for reinstatement, indemnify the Insured for

- (a) the actual rent for which the Insured is liable as occupier of the private residence
- (b) any reasonable additional costs incurred in providing alternative board and lodging for the Insured, his family and domestic staff normally residing with the Insured
- (c) necessary transit and storage expenses in respect of furniture

up to 25% (twenty five percent) of the sum insured.

## EXTENSIONS

### 1. AUDIO VISUAL EQUIPMENT

This Section covers accidental loss or damage to any television set, video recorder, decoder, DVD, sound reproduction equipment, excluding computer equipment, satellite dish or aerial whilst in or on the dwelling by accidental means other than mechanical, electronic or electrical breakdown.

### 2. 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) whilst in the dwelling.

### 3. GUESTS

If household goods and personal effects, excluding money and negotiable instruments, not otherwise insured belonging to a guest temporarily residing with the Insured are lost or damaged by any of the perils specified in 1 to 7 of Sub-Section A or by theft from the private residence the Company will indemnify the guest up to R10 000 (ten thousand rand) any one claim.

### 4. DOMESTIC STAFF'S 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 perils specified in 1 to 9 of Sub-Section A whilst 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 or exit into or out of the dwelling;
- (b) the liability of the Company shall not exceed R10 000 (ten thousand rand) any one occurrence.

### 5. DOMESTIC REFRIGERATOR, DEEP-FREEZE, COLD STORE AND FREEZING-ROOM CONTENTS

This Section covers deterioration of the contents only due to change of temperature resulting from failure of power following upon an accidental occurrence or failure of power supplied by public authorities or mechanical breakdown or accidental damage of any refrigerator, deep-freezer, cold store or freezing-room in the dwelling of the Insured

#### PROVIDED THAT:

this Extension does not include:

- (i) deterioration of the contents resulting from the deliberate cessation of the power supply (gas and paraffin included) by any public authority;
- (ii) damage to the refrigerator, deep-freezer, cold store or freezing-room as such

#### PROVIDED FURTHER THAT:

- (a) the liability of the Company in terms of this Extension shall not exceed the amount of R5 000 (five thousand rand) in respect of any one occurrence.
- (b) the Insured shall be responsible for the first R350 (three hundred and fifty rand) of each and every claim.

## 6. KEYS AND LOCKS

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 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 and/or alarm controller.

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:

- (i) the liability of the Company in respect of any one event shall not exceed R10 000 (ten thousand rand);
- (ii) the Company shall not be liable for the first R250 (two hundred and fifty rand) in respect of each and every event.

## 7. DOCUMENTS

This Section covers loss of or damage caused by the perils specified in 1 to 9 of Sub-Section A to documents and manuscripts the property of the Insured whilst in the private dwelling described in the Schedule up to R10 000 (ten thousand rand) any one claim. The Company shall only be liable for the value of materials and the cost in labour in reinstating the documents or obtaining duplicates and not for the value of the information contained therein.

## 8. MEDICAL AND VETERINARY EXPENSES

This Section covers medical and 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 any defect in the dwelling
- (c) domestic staff in the course of their employment by the Insured
- (d) domestic animal owned by the Insured arising from a road accident

up to R10 000 (ten thousand rand) per person or R1 000 (one thousand rand) per animal any one occurrence.

## 9. ACCIDENTAL DEATH

In the event of accidental bodily injury to the Insured or member of his family normally residing with the Insured while in the dwelling or its grounds and die as a direct result of the injury the Company will pay

- (a) R5 000 (five thousand rand) for a person 18 (eighteen) years of age and under
- (b) R10 000 (ten thousand rand) for a person over 18 (eighteen) and under 76 (seventy six) years of age

provided death occurs within 12 (twelve) months of the injury.

## 10. SECURITY GUARD

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 (ten thousand rand) any one claim.

## 11. DOMESTIC TELEPHONE INSTRUMENTS

If in the dwelling any domestic telephone instrument (excluding cellular telephones) is accidentally damaged the Company will indemnify the Insured up to R3 000 (three thousand rand) per instrument any one claim.

12. 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 R10 000 (ten thousand rand) any one claim.

13. LOSS OF WATER BY LEAKAGE

The Company will indemnify the Insured for the costs of water lost through leakage from pipes on the insured property where the Insured is responsible to pay the charge for such water subject to the following:

- (a) in the event of the quarterly reading of water consumption exceeding the average of the previous 4 (four) quarterly readings by 50% (fifty percent) or more the Company will indemnify the Insured for the cost of such additional water consumed up to a limit of R5 000 (five thousand rand)
- (b) up to R5 000 (five thousand rand) shall be payable for not more than two separate incidents in any 12 (twelve) month period of insurance
- (c) it shall be a condition precedent to liability under this Extension that the Insured shall upon discovery of a leak (by physical evidence or on receipt of an abnormally high water account) take immediate steps to repair the pipe(s) affected
- (d) this Extension does not cover the cost of remedial action including repairs to the pipe(s) affected
- (e) the Company shall not be liable for claims
  - (i) as a result of leaking taps, geysers, toilet systems and swimming pools
  - (ii) whilst the property is unoccupied for a period in excess of 30 (thirty) 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.

14. CLEARANCE COSTS

The Company will indemnify the Insured up to R10 000 (ten thousand rand) any one claim for costs necessarily incurred in respect of the removal of debris from the premises following loss of or damage hereby insured.

15. TRANSIT

The Company will indemnify the Insured up to R10 000 (ten thousand rand) for damage to household goods in the Insured's or his/her authorised representative's custody whilst in transit to or from any place of purchase, repair or renovation provided the damage is caused by fire, collision or overturning of the conveying motor vehicle including theft following the stated occurrences excluding theft cover as described in terms of Sub-Section A - 9(d).

16. DAMAGE TO THE GARDEN

The Company will pay costs reasonably and necessarily incurred by the Insured in his/her capacity as 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 R5 000 (five thousand rand) excluding loss or damage caused by or arising from theft or attempted theft.

PROVIDED THAT

the Insured shall be responsible for the first R250 (two hundred and fifty rand) of each and every claim.

## 17. TENANTS LIABILITY

The Company will pay all sums for which the Insured is legally liable as tenant and occupier of any private residence for compensation in respect of

- (a) physical loss of or physical damage to the buildings of the private residence (but only whilst the private residence is furnished and occupied) directly caused by any insured peril
- (b) physical breakage (but only whilst the private residence is furnished and occupied) of
  - (i) fixed glass in windows and mirrors against walls, doors, fan lights, roof windows, solar heating systems, greenhouses, conservatories and verandas, stove glass tops, fixed wash basins, baths, pedestals, sinks, lavatory pans, splash-backs and cisterns (but excluding chipping, scratching and other disfiguration) forming part of the private residence
  - (ii) physical damage to underground pipes and cables extending from the buildings of the private residence to the public mains or to underground fuel oil pipes

occurring during the period of insurance as a result of an accident

PROVIDED THAT:

the amount payable in respect of any one accident or series of accidents arising out of one event will not exceed R5 000 000 (five million rand) inclusive of all compensation and all legal costs and all other costs and expenses.

## 18. LIABILITY TO THE PUBLIC

This Extension covers:

- (a) all sums for which the Insured is legally liable as a householder occupying the premises or any member of the Insured's family normally residing with the Insured for compensation in respect of
  - (i) death of or bodily injury to or illness of any person
  - (ii) physical loss of or physical damage to tangible propertyoccurring during the period of insurance as a result of an accident
- (b) all legal costs and expenses
  - (i) recovered by any claimant against the Insured
  - (ii) incurred with the written consent of the Company

in respect of a claim against the Insured for compensation to which the indemnity expressed in this Extension applies

PROVIDED THAT:

the amount payable in respect of any one accident or series of accidents arising out of one event will not exceed R5 000 000 (five million rand) inclusive of all compensation and all legal costs and all other costs and expenses.

The indemnity provided by this Extension does not apply to nor include:

- (a) liability assumed by the Insured by agreement and which would not have attached in the absence of the agreement
- (b) liability in respect of death of or bodily injury to or illness of any person who is a member of the Insured's household or family whether residing with the Insured or not
- (c) liability in respect of death of or bodily injury to or illness of any person under a contract of service or apprenticeship with the Insured if the liability is in respect of death, bodily injury or illness arising out of and in the course of the employment of the person by the Insured

- (d) liability in respect of loss of or damage to property belonging to or in the charge of or under the control of the Insured or of any member of the Insured's family or household or of any servant or agent of the Insured
- (e) liability in respect of death, bodily injury, illness, loss or damage caused by or in connection with or arising from
  - (i) any profession or business of the Insured
  - (ii) the ownership or possession or use by or on behalf of the Insured of lifts or mechanically propelled vehicles or trailers other than pedestrian controlled gardening implements
  - (iii) deliberate or malicious acts
  - (iv) explosives
- (f) liability in respect of
  - (i) claims for compensation, legal costs and expenses for death, any injury, illness, loss or damage directly or indirectly caused by or by means of or as a result of or originating from or attributable to seepage, pollution or contamination provided always that this proviso shall not apply to claims for compensation and/or legal costs and expenses in respect of the accidental death of or bodily injury to or illness of any person or accidental physical loss of or damage to tangible property where such seepage, pollution or contamination is directly caused by a sudden unintended and unforeseen occurrence during the period of insurance
  - (ii) any costs 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

PROVIDED THAT:

this proviso shall not extend this Sub-Section to cover any liability which would have been insured under this Sub-Section in the absence of this proviso

- (g) claims for compensation and legal costs and expenses in respect of death, injury or illness attributable to a gradual working cause which did not occur from a sudden and identifiable accident or occurrence
- (h) liability for fines or penalties or punitive, exemplary or vindictive damages awarded in any court
- (i) costs and expenses incurred subsequent to the date on which the Company has paid or offered to pay either the full amount of the claim or the total amount recoverable in respect of any occurrence.

19. COMMON LAW LIABILITY TO DOMESTIC STAFF

This Section covers:

- (a) all sums for which the Insured is legally liable to pay for compensation in respect of death of, or bodily injury to or illness of any domestic staff arising out of and in the course of the period of such domestic staff's employment with the Insured in his/her capacity as a householder at the premises and occurring during the period of insurance as a result of an accident
- (b) all legal costs and expenses
  - (i) recovered by any claimant against the Insured
  - (ii) incurred with the written consent of the Company

in respect of a claim against the Insured for compensation to which the indemnity expressed in this Contingency applies

PROVIDED THAT:

the amount payable in respect of any one accident or series of accidents arising out of one event will not exceed R5 000 000 (five million rand) inclusive of all compensation and all legal costs and all other costs and expenses.



In addition and in connection with the employment of such domestic staff by the Insured, the Company will indemnify the Insured against costs and expenses not exceeding R2 000 (two thousand rand) incurred by the Insured with the consent of the Company in the defence of any criminal action brought against the Insured arising out of an alleged contravention of the Occupational Health and Safety Act no. 85 of 1993.

The indemnity expressed in this Contingency does not apply to nor include:

- (a) liability assumed by agreement and which would not have attached in the absence of the agreement
- (b) costs and expenses incurred subsequent to the date on which the Company has paid or offered to pay either the full amount of the claim or the total amount recoverable in respect of any occurrence.

## 20. DISCOMFORT COVER

In the event of a total loss to the contents caused by any insured peril for which the Company had indemnified the Insured, an additional amount of R5 000 (five thousand rand) for both this Section and Extension 17 of the Houseowners Section (if applicable) combined will be paid to the Insured for any discomfort suffered.

## 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:

- (i) the liability of the Company is limited to the sum of R3 000 (three thousand rand) 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 his 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 (five hundred rand) of each and every claim.

## 22. STORAGE COST FOR CONTENTS AFTER LOSS

This Section covers necessary storage costs incurred by the Insured to safeguard the contents after the occurrence of any peril specified in Sub-Section A

PROVIDED THAT:

the liability of the Company in respect of this Extension is limited to R5 000 (five thousand rand) in respect of any one occurrence.

## 23. MALICIOUS DAMAGE

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

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

Provided that this Contingency does not cover

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

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

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

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

24. TEMPORARY INCREASE OF SUM INSURED

Contents sums insured stated in the Schedule is increased by 10% (ten percent) from 15 December to 31 January annually.

25. SUBSIDENCE AND LANDSLIP – LIMITED COVER

Notwithstanding anything contained herein to the contrary this Section is extended to cover:

Damage caused by Subsidence and Landslip

PROVIDED THAT:

The property stated in the Schedule shall not exceed three stories in height.

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

PROVIDED THAT:

This Extension does not cover:

- (a) damage to drains, watercourses, boundary walls, garden walls, retaining walls, gates, posts, pillars or fences, driveways, pavings, swimming pool surroundings or tennis courts
- (b) damage caused by or attributable to
  - (i) shrinkage or expansion of soil due to the moisture or water content of such soil as experienced in clay and other similar kind or types of soil;
  - (ii) damage which exist prior to inception of this Extension;
  - (iii) faulty design or construction, insufficient compacting or filling or the removal or weakening of support to any building(s) stated in the Schedule;
  - (iv) workmen engaged in making any structural alterations, additions or repairs to any buildings situated at the insured premises;
  - (v) excavation on or under land other than excavations in the course of mining operations
- (c) consequential loss or consequential damage, of any kind whatsoever except loss of Rent when specifically insured under this Section.

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

26. ACCIDENTAL DAMAGE

Notwithstanding anything contained herein to the contrary this Section is extended to cover:

Accidental damage to the contents other than Audiovisual Equipment (as defined in Extension 1 of this Section of the Policy), aerials and satellite dishes by accidental external means whilst in the buildings at the premises

PROVIDED THAT:

the Company will not be liable in respect of

- (a) (i) breakage of glass or china including crockery
- (ii) damage arising from wear and tear, depreciation, mildew, rust, moth, vermin, insects, larvae, any process of cleaning, repairing, restoring or dyeing, gradual deterioration which includes the action of light, atmospheric or climatic conditions

- (iii) scratching, abrading, denting or chipping
- (iv) mechanical or electrical breakdown
- (v) damage to electronic data-processing equipment

PROVIDED FURTHER THAT:

- (i) the liability of the Company is limited to the amount per item stated in the Schedule but shall not exceed R10 000 (ten thousand rand) or the amount per item stated in the Schedule whichever is the greater
  - (ii) the Insured shall be responsible for the first R250 (two hundred and fifty rand) in respect of each and every claim
- (b) Specific Condition 4 - Underinsurance shall not be applicable.

27. MECHANICAL BREAKDOWN

Notwithstanding anything contained herein to the contrary this Section is extended to cover:

Accidental mechanical or electrical breakdown of any electrical equipment whilst in the buildings on the premises as described in the Schedule

PROVIDED THAT:

the Company will not be liable in respect of

- (a) damage arising from wear and tear, depreciation, mildew, rust, moth, vermin, insects, larvae, any process of cleaning, dyeing, repairing or restoring, gradual deterioration which includes the action of light, atmospheric or climatic conditions
- (b) scratching, abrading, denting or chipping
- (c) damage arising from faulty or defective design materials or workmanship
- (d) damage arising from inherent vice or latent defect
- (e) damage arising from lack of maintenance
- (f) damage to computers, laptops and/or data processing equipment
- (g) damage to tools of any description including garden equipment and implements and automatic pool cleaning equipment
- (h) damage arising through any disregard of the manufacturer's instructions relating to the operation of any electrical equipment
- (i) damage for which provision is made in terms of the guarantee or warranty issued by the manufacturers of any electrical equipment

PROVIDED THAT:

- (i) Specific Condition 4 - Underinsurance shall not be applicable
- (ii) the Liability of the Company in respect of any one occurrence shall not exceed R10 000 (ten thousand rand) or the amount per item stated in the Schedule whichever is the greater
- (iii) the Company shall not be liable for the first R500 (five hundred rand) in respect of each and every occurrence.

## SPECIFIC EXCEPTIONS

1. This Section does not cover:

- (a) consequential loss or consequential damage of any kind whatsoever except as provided for by Sub-Section B
- (b) property more specifically insured or unless specifically mentioned, deeds, bonds, bills of exchange, promissory notes, money, cheques, securities for money, stamps, documents of any kind, manuscripts, medals, coins, motor vehicles and accessories in or upon such vehicles, aerial devices and any part thereof, waterborne vessels and any part thereof (except model aeroplanes and model waterborne vessels), canoes and animals
- (c) any electronic data processing equipment not being used for domestic purposes only

PROVIDED THAT:

- (i) such electronic data processing equipment used for domestic purposes only will be subject to a First Amount Payable of R500 (five hundred rand) for each and every claim;
- (ii) the liability of the Company on such electronic equipment will be limited to a maximum amount of R15 000 (fifteen thousand rand) any one occurrence.

## SPECIFIC CONDITIONS

1. **MORE THAN ONE DWELLING**

If the contents of more than one private residence are insured under separate items, the terms, conditions, limitations and exceptions contained herein shall apply separately to each item as if each had been insured under a separate Policy.

2. **MORE THAN 60 (SIXTY) DAYS UNOCCUPIED**

In the event of the aforesaid private residence being left unoccupied for more than 60 (sixty) days in any one period of insurance (or the number of days stated in the Schedule whether consecutively or not during 365 (three hundred and sixty five) days after inception of the Policy and thereafter with frequencies of 365 days) the insurance in respect of Sub-Section A Perils 8 and 9 shall, as regards loss or damage to the contents of the private residence, domestic apartments, garages and domestic outbuildings be entirely suspended in respect of any period or periods during which the private residence may be unoccupied in excess of the aforesaid period unless otherwise agreed by Endorsement.

3. **REPLACEMENT VALUE**

In the event of the property insured under this Section being lost, destroyed or damaged, the basis upon which the amount payable under this Section is to be calculated shall be the cost of replacing or reinstating property of the same kind or type but not superior to or more extensive than the insured property when new, subject to all the other terms and conditions of the Policy except in so far as they may be varied hereby.

4. **UNDERINSURANCE**

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

5. FIRE EXTINGUISHING CHARGES

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

6. INFLATION

The sum insured in respect of contents insured hereby will be increased automatically each month by a percentage commensurate with price indices.

No premium adjustment will be made until anniversary date when the premium will be calculated on the adjusted sum insured. This does not relieve the Insured of his responsibility to ensure that the sums insured represents the full replacement value at all times.

7. CLAIM FREE GROUPS

In the event of no claim arising under this Section during a Period of Insurance (or Term of Insurance in the case of a Monthly Policy) specified below immediately preceding the Renewal of the Policy, the Renewal Premium (or Renewal Premiums for the Term of Insurance in the case of a Monthly Policy) for this Section will be based on the relevant Claim Free Groups as follows

| <u>Period/Term of Insurance</u>              | <u>Claim Free Group</u> |
|--|-------------------------|
| less than one year                           | 0                       |
| the preceding year                           | 1                       |
| the preceding two consecutive years          | 2                       |
| the preceding three consecutive years        | 3                       |
| the preceding four consecutive years         | 4                       |
| the preceding five consecutive years         | 5                       |
| the preceding six consecutive years          | 6                       |
| the preceding seven consecutive years        | 7                       |
| the preceding eight consecutive years        | 8                       |
| the preceding nine or more consecutive years | 9                       |

However, should a claim arise during any Period of Insurance (or Term of Insurance in the case of a Monthly Policy) when Claim Free Group 4, 5, 6, 7, 8 or 9 applies, the Renewal Premium for the subsequent Period of Insurance (or Renewal Premiums for the subsequent Term of Insurance in the case of a Monthly Policy) will be calculated on Claim Free Group 2, 3, 4, 5, 6 or 7, respectively.

If more than one Private Residence is described in the Schedule, the Claim Free Group will apply as if a separate Policy has been issued in respect of each Private Residence.

The Claim Free Group will not be affected by any claim in respect of Extensions 8 – Medical and Veterinary Expenses, 9 – Accidental Death, 12 – Trauma Treatment, 15 – Transit and 20 – Discomfort Cover.

Unless the Company consents to a transfer of interest in this Policy the Claim Free Group is not transferable.

8. COMPULSORY FIRST AMOUNT PAYABLE (Other than in respect of unoccupied premises)

The Insured shall be liable for the first R250 (two hundred and fifty rand) of each and every claim in respect of Perils 1 to 9 under Sub-Section A.

9. **COMPULSORY FIRST AMOUNT PAYABLE (Unoccupied premises)**

In the event of any contents of unoccupied premises insured under this Section the Insured shall be liable for the first R1 500 (one thousand five hundred rand) of each and every claim in respect of Perils 1 to 9 of Sub-Section A.

10. **LIGHTNING CONDUCTORS**

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

11. **BUILDER'S RISK**

The following conditions are applicable whilst the buildings described in the Schedule are under construction or subject to additions or alterations and until they are finally completed:

(a) The following Perils under Sub-Section A are cancelled:

5, 7, 8 and 9

(b) Peril 3 under Sub-Section A is cancelled and replaced by the following:

"3. Storm but excluding loss or damage:

(i) caused by subsidence or landslide

(ii) as a result of wear and tear or gradual deterioration

(iii) to property in the open unless the property is designed to exist or operate in the open"

(c) Peril 6 under Sub-Section A is cancelled and replaced by the following:

"6. Impact with any of the buildings by any vehicle or animal except vehicles or animals belonging to, in the custody of, and/or under the control of any contractor or sub-contractor or any of their employees whilst engaged with;

(i) the construction of or completion of the insured property

(ii) architectural alterations and/or additions to and/or restoration to the insured property or the completion of such alterations, additions or restoration"

(d) The following Extensions are cancelled:

(i) Extension 1 - Audio Visual Equipment

(ii) Extension 2 - Mirrors and Glass

(iii) Extension 5 - Domestic refrigerator, deep-freeze, cold store or freezing-room contents

(iv) Extension 6 - Keys and Locks

(v) Extension 7 - Documents

(vi) Extension 8 - Medical and Veterinary Expenses

(vii) Extension 17 - Tenants Liability

(viii) Extension 18 - Liability to the public

(e) Sub-Section B - Rent is cancelled.

ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE

1. UNOCCUPIED IN EXCESS OF 60 (SIXTY) DAYS

In consideration of the payment of an additional premium it is hereby declared and agreed that the insured dwelling described herein may be left unoccupied for the period stated in the Schedule during any period of insurance, without the cover in respect of Sub-Section A Perils 8 and 9 being suspended as provided for in Specific Condition 2 of this Section.

2. REFRIGERATOR, DEEP-FREEZE, COLD STORE AND FREEZING-ROOM COVER

In consideration of the payment of an additional premium, Extension 5 of this Section is cancelled and replaced by the following:

"5. This Section covers deterioration of the contents only due to the change in temperature resulting from failure of power following upon an accidental occurrence or failure of power supplied by public authorities or mechanical breakdown or accidental damage of any refrigerator, deep-freeze, cold store or freezing-room in the dwellings and also accidental physical damage to the refrigerator, deep-freeze, cold store or freezing-room and the ensuing physical damage to the buildings and landlord's fixtures

PROVIDED THAT:

this Endorsement does not cover:

- (i) loss or damage resulting from the deliberate cessation of the power supply (gas and paraffin included) by any public authority;
- (ii) loss or damage, other than deterioration of the contents, resulting from any mechanical breakdown of the said refrigerator, deep-freezer, cold store or freezing-room

PROVIDED FURTHER THAT:

- (a) the liability of the Company in terms of this Endorsement shall not exceed the amount stated in the Schedule
- (b) the Insured shall be responsible for the first R500 (five hundred rand) in respect of each and every claim".

3. SUBSIDENCE AND LANDSLIP

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

Damage caused by Subsidence and Landslip

PROVIDED THAT:

the Insured shall bear the first R5 000 (five thousand rand) of each and every loss or damage. This amount is payable in addition to any other First Amount Payable that may be applicable.

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

PROVIDED THAT:

this Endorsement does not cover:

- (a) damage to drains, watercourses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
- (b) damage caused by or attributable to



- (i) faulty design or construction of, or the removal or weakening of support to any building situated at the insured premises
  - (ii) workmen engaged in making any structural alterations, additions, or repairs to any building situated at the insured premises
  - (iii) excavation on or under land other than excavations in the course of mining operations
- (c) consequential loss of any kind whatsoever except loss of rent.

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

#### 4. TELEVISION RECEIVERS, VIDEO CASSETTE RECORDERS AND DVD MACHINES

The total liability of the Company in respect of television receivers and/or video machines (excluding video cameras and equipment forming part thereof) and/or DVD machines are limited to a maximum of R5 000 (five thousand rand) for loss as a result of theft, unless such television receivers, video machines or DVD machines are specified in the Schedule.

#### 5. EARTHQUAKE

Notwithstanding anything to the contrary contained in Sub-Section A Peril 2 it is hereby declared and agreed that it is amended to read as follows:

"2. Earthquake excluding any loss or damage (except loss or damage by fire) arising from mining operations".

#### 6. STOCK-IN-TRADE AND EQUIPMENT

In consideration of the payment of an additional premium it is hereby declared and agreed that this Section is extended to cover the following:

Loss of or damage to stock-in-trade and equipment whilst inside the buildings as described in the Schedule caused by an insured peril described under Sub-Section A Perils 1 to 9

PROVIDED THAT:

- (a) the stock-in-trade must relate to the home industry described in the Schedule and which the Insured run from the premises stated in the Schedule
- (b) any participant in the home industry described in the Schedule and which the Insured run from the said premises must be stated in the Schedule.

#### 7. RIOT AND STRIKE

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

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

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia

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

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

#### 8. GUESTHOUSES (ACCOMMODATION AND LODGING)

In consideration of the payment of an additional premium it is hereby declared and agreed that Sub-Section A 8(a) is amended to read as follows:

\*8. Theft or any attempt thereat, but excluding

- (a) theft (or any attempt thereat) whilst the building(s) or any part thereof are left vacant or be lent, let or sub-let by the Insured unless such theft (or any attempt thereat) is accompanied by breaking into or out of the building(s) by visible, forcible and violent means. For the purpose of this Sub-Section 8(a) the accommodation of paying guests, visitors, boarders and lodgers who occupy a maximum of 4 (four) rooms, or the amount of rooms stated in the Schedule whichever is the greater, in the building(s) shall not be deemed to be lending, letting or sub-letting of the building(s)

PROVIDED THAT:

the Insured shall be liable for an additional First Amount Payable of R250 (two hundred and fifty rand) in addition to the basic First Amount Payable (other than applicable to unoccupied premises) in respect of each and every claim as a result of theft (or any attempt thereat) which is not accompanied by breaking into or out of the building(s) by visible, forcible and violent means".

## PERSONAL ALL RISKS

### DEFINED EVENTS

Loss of or damage to the whole or part of the property described in the Schedule belonging to the Insured, his/her spouse and/or members of his/her family who are financially dependent upon the Insured and normally residing with the Insured caused by any accident or misfortune not otherwise excluded while anywhere in the world.

### DEFINITIONS

#### 1. SPECIFIED PROPERTY

- (a) any property more specifically described in the Schedule which for the purpose of this Item shall include
- (b) money and/or negotiable instruments up to an amount of R1 000 (one thousand rand)

#### 2. NON-SPECIFIED PROPERTY

- (a) clothing;
- (b) personal effects worn or designed to be carried on or by the person;
- (c) personal equipment belonging to the Insured and normally worn or used by the person participating in sport;
- (d) purchases of clothing, groceries and foodstuff, domestic goods, picnic baskets (and contents) and travelling rugs only whilst the property mentioned is in transit away from the Insured's residence and loss is caused by theft

PROVIDED THAT:

no single article shall exceed 25% (twenty five per cent) of the sum insured.

### EXTENSIONS

#### 1. PEDAL CYCLES

This Section covers loss of or damage to pedal cycles and non-motorised scooters not exceeding R1 000 (one thousand rand) (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-motorised scooter is stolen at the same time.

#### 2. COLLECTIONS

- (a) Stamps

If a stamp collection is described in the Schedule to be included:

- (i) the Company will only be liable if one or more completed pages of the collection are lost or damaged;

- (ii) the Company's liability for any one stamp will not exceed two-thirds of the value stated in any current recognised catalogue up to R5 000 (five thousand rand) any one stamp;
- (b) Coins  
If a coin collection is described in the Schedule to be included the Company will not be liable for:
  - (i) current coins;
  - (ii) more than R5 000 (five thousand rand) for any one coin.

### 3. CONTENTS OF CARAVAN AND/OR LUGGAGE TRAILER

If the contents of a caravan and/or luggage trailer are specified in the Schedule to be included the following apply to those items:

- (i) property insured means household goods belonging to the Insured or for which he/she is responsible while in the caravan or attached side tent and/or luggage trailer
- (ii) the Company will not be liable for:
  - (a) theft of property insured while the caravan or side tent is unoccupied unless there is forcible and violent entry;
  - (b) theft of property insured out of luggage trailers unless there is forcible and violent entry;
  - (c) more than R1 000 (one thousand rand) or 25% (twenty five percent) of the sum insured whichever is the greater, for any one article;
  - (d) the permanent fixtures and fittings of the caravan;
  - (e) stamp and/or coin collections, money, documents, jewellery, furs or any article more specifically insured;
  - (f) loss or damage caused by fraud or dishonesty by any person to whom the caravan and/or luggage trailer is on loan or hire.

### 4. CAR RADIOS

If sound reproduction equipment (including 1 (one) tape or compact disc) fitted in a motor vehicle is described in the Schedule to be included Specific Exception 9 below does not apply to that item.

### 5. HOUSEHOLD GOODS IN TRANSIT

Cover in terms of Definition 2(d) above is extended to include theft of household goods belonging to the Insured and in his/her custody or control whilst in transit.

### 6. RIOT AND STRIKE (If stated in the Schedule to be included)

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

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

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;

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

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

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| SPECIFIC EXCEPTIONS |
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The Company shall not be liable for:

1. loss or damage caused by wear and tear or depreciation;
2. consequential loss or consequential damage of any nature;
3. gradual deterioration including the action of light, atmospheric or climatic conditions;
4. damage to any working machine or any working part caused by mechanical, electronic or electrical breakdown, failure or breakages;
5. rust or corrosion;
6. deterioration occasioned by moth, vermin, insects or larvae;
7. loss or damage arising from any process of cleaning, dyeing, repairing or restoring;
8. cracking, scratching or breakage of glassware or other articles of a brittle nature (other than jewellery and cameras and cracking, scratching or breakage of spectacles) unless caused by fire or theft;
9. property insured lost from a motor vehicle by theft or attempted theft unless the vehicle is locked and there is violent and forcible entry to the vehicle;
10. contact lenses, cellular telephones, tools, stamp and coin collections unless specifically insured and specified in the Schedule;
11. loss or damage arising from detention, confiscation, destruction or requisition by customs or other officials or authorities;
12. loss or damage to cash, bank notes, currency notes, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts, securities or any kind of travel tickets in excess of R1 000 (one thousand rand) unless described in the Schedule to be included;
13. 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;
14. loss or damage to motor vehicles, trailers, caravans, hang gliders, air and watercraft other than surf boards and paddle skis.

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| SPECIFIC CONDITIONS |
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1. REPLACEMENT VALUE

In the event of property insured under this Section being lost or damaged, the basis upon which the amount payable under this Section is to be calculated shall be the cost of replacing or reinstating property of the same kind or type but not superior to or more extensive than the insured property when new, subject to all the other terms and conditions of this Section except in so far as they may be varied hereby.

2. 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.

3. FIRST AMOUNT PAYABLE

(a) clothing and personal effects

- |      |  |   |
|------|--|---|
| (i)  | other than theft out of any vehicle  | R250  |
| (ii) | theft out of any vehicle accompanied by visible, forcible and violent entry to or exit from such vehicle | 20% of the claim or R250 whichever is the greater |

- |     |   |   |
|-----|---|---|
| (b) | any specified item(s) stated in the Schedule (excluding pedal cycles / non motorised scooters, contact lenses, cellular phones, firearms, motor radios, tape players and similar equipment or motor car telephones and contents of caravans and luggage trailers) | R250 or the amount stated in the Schedule as First Amount Payable |
|-----|---|---|

- |     |  |      |
|-----|--|------|
| (c) | pedal cycles / non-motorised scooters - specified or not | R250 |
|-----|--|------|

- |     |                     |      |
|-----|---------------------|------|
| (d) | cellular telephones | R500 |
|-----|---------------------|------|

- |     |                |      |
|-----|----------------|------|
| (e) | contact lenses | R250 |
|-----|----------------|------|

- |     |   |                               |
|-----|---|-------------------------------|
| (f) | motor radios, tape players and equipment of a similar nature and motor telephones | 10% of the claim minimum R350 |
|-----|---|-------------------------------|

- |     |   |      |
|-----|---|------|
| (g) | contents of caravans and luggage trailers | R250 |
|-----|---|------|

- |     |          |      |
|-----|----------|------|
| (h) | firearms | R500 |
|-----|----------|------|

or the First Amount Payable stated in the Schedule, whichever is the greater.

## PERSONAL ACCIDENT

### DEFINED EVENTS

Bodily injury caused by accidental, violent, external and visible means to any person named in the Schedule (hereinafter referred to as such person).

The Company will pay to the Insured, on behalf of such person or his/her estate, the compensation stated in the Schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 (twenty four) calendar months in death or disability as specified in the Schedule under the heading circumstances.

### COMPENSATION

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

|     |   | Percentage of compensation |
|-----|---|----------------------------|
| (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                          |
| (n) | burns disfigurement   |                            |
|     | permanent disfigurement resulting from                          |                            |
|     | (i) 100% of the surface area of the head and/or neck.....       | 50                         |
|     | (ii) 100% of the surface area of the remainder of the body..... | 25                         |

**MEMORANDA**

- (i) Where the percentage disfigurement under (n)(i) or (n)(ii) is less than 100% (one hundred percent) of the surface area the Company will apply to the benefit concerned a percentage based on the extent that actual disfigurement bears to 100% (one hundred percent) disfigurement.
  - (ii) The Company shall not be liable under (n)(i) or (n)(ii) above unless the extent of disfigurement exceeds 10% (ten per cent) individually under (n)(i) or (n)(ii) above nor until the permanent effect of medical and/or surgical treatment has been established.
  - (iii) Where the injury is not specified, the Company will pay such sum as, in their opinion, is consistent with the above provisions.
  - (iv) Permanent total loss of use of part of the body shall be treated as loss of such part.
  - (v) 100% (one hundred percent) shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.
- C. Temporary Total Disability shall mean total and absolute incapacity from following usual business or occupation.
- D. Medical Expenses shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 (twenty four) months of the Defined Event

**PROVIDED THAT:**

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for Death or Permanent Disability (whichever is the higher) plus any compensation payable for Temporary Total Disability and Medical Expenses;
2. the compensation specified for Temporary Total Disability shall be payable for not more than the number of weeks stated in the Schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this Section shall not apply to any such person under 15 (fifteen) or over 75 (seventy five) years of age;



4. after suffering accidental bodily injury for which compensation may be payable under this Section, such person shall, when reasonably required by the Company 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;
5. General Conditions 5 and 10 do not apply to this Section;
6. in respect of this Section only, General Exception 1 is deleted and replaced by the following:  

“This Section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power”;
7. no compensation shall be payable:
  - (i) for Temporary Total Disablement where the period of disablement is less than 7 (seven) consecutive days;
  - (ii) for Medical Expenses where such expenses are less than R100 (one hundred rand);
8. compensation for Temporary Total Disablement and Medical Expenses shall cease immediately:
  - (i) when compensation becomes payable for Death;
  - (ii) when compensation becomes payable for Permanent Disability provided the bodily injury which resulted in the disablement has been cured or healed as far as reasonably possible.

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| <b>SPECIFIC EXCEPTIONS</b> |
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The Company shall not be liable to pay compensation for Death, Disability or Medical Expenses in respect of such person

- (a) while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- (b) by his/her suicide, attempted suicide or intentional self injury;
- (c) caused solely by an existing physical defect or other infirmity of such person;
- (d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself/herself) or as a result of such person's driving a motor vehicle whilst his/her blood alcohol percentage exceeds the statutory limit at the time of the occurrence;
- (e) as a result of his/her participation in any riot or civil commotion;
- (f) as a result of insanity, any form of neurosis, acquired immunity deficiency syndrome (AIDS), venereal disease, any physical defect or weakness, malignant disease of the mammary glands, pregnancy, childbirth, abortion or miscarriage, or any complication or sequel thereof;
- (g) while he/she is, or as a result of his/her engaging in:
  - (i) motor cycling (whether as a driver or passenger) other than on the business of the Insured;
  - (ii) racing of any kind involving the use of any power driven
    - (aa) vehicle
    - (ab) vessel
    - (ac) craft;

- (iii) mountaineering necessitating the use of ropes or a guide, winter sports involving snow or ice, polo on horseback, steeple chasing, professional football, hang-gliding, parachuting, skydiving, bungee jumping, wrestling, boxing, scuba diving, waterskiing or martial arts;
- (h) by his/her involvement or participation in any defence force and/or armed forces training, service, exercises or operations except peace time military training;
- (i) as the result of an accident attributable to such person's serious and wilful misconduct;
- (j) whilst such person is using or as a result of such person's use of woodworking machinery other than as a domestic hobby;
- (k) whilst such person is engaged in, or as a result of such person engaging in mining, shaft sinking, underground mining operations, or the manufacture or use of explosives.

|                   |
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| <b>EXTENSIONS</b> |
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**1. EXPOSURE**

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

**2. DISAPPEARANCE**

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

**3. LIFE SUPPORT**

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

**4. REPATRIATION**

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

**5. FUNERAL EXPENSES**

In the event of an accident giving rise to a Death claim the Company will pay to such person's estate R5 000 (five thousand rand) as a contribution to funeral expenses.

**6. TRAUMA**

The Company will pay compensation to an amount of 10% (ten percent) of compensation payable for death subject to a maximum of R10 000 (ten thousand rand) if such person is the victim of a violent act of theft, hold-up, hijacking or unlawful assault which necessitates professional counselling.

## 7. DOUBLE COMPENSATION

In the event of death within 12 (twelve) months of both such person and such person's spouse as a result of the same accident, the Company will pay double compensation in respect of A – Death

PROVIDED THAT:

- (i) such person has selected cover for A, B and C of this Section and the compensation for C is at least 1% (one percent) of A – Death;
- (ii) there is a surviving minor child who is entirely dependent on such person or such person's spouse;
- (iii) such person and such person's spouse and child were at the time of the accident all members of the same household.

## 8. PASSIVE WAR COVER (If stated in the Schedule to be included)

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

## 9. MOBILITY

In the event of the Company admitting a claim in terms of Compensation B - 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;
- (iv) alterations to such person's private residence to facilitate the use of such wheelchair

up to an amount not exceeding R10 000 (ten thousand rand) any one occurrence.

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

## 10. FARM MURDERS

In the event of the death of such person as a result of murder, exclusively caused by and directly in connection with an attack on the farm, the Company will pay double compensation in respect of Compensation A – Death

PROVIDED THAT:

- (i) the maximum additional amount payable in respect of death of any one such person in terms of this Extension will not exceed R50 000 (fifty thousand rand)
- (ii) cover in terms of this Extension will be limited to murder which took place on property occupied for farming purposes, the property of, or occupied as tenant or utilized by such person or such person's spouse

- (iii) insurance cover on at least five Sections of this Policy shall be in force which must include the following Sections:
  - (a) Fire
  - (b) Householders
  - (c) Motor
  - (d) Public Liability
  - (e) Personal Accident
- (iv) for the purposes of this Extension the term "such person" will be limited to the Insured(s) and his/her/their spouse(s) only in the capacity as owner(s), co-owner(s) or tenant(s) of the property occupied for farming purposes
- (v) the amount payable in terms of this Extension will be payable in addition to compensation for Death stated in the Schedule against such person.

## PERSONAL LIABILITY

### DEFINED EVENTS

The Company shall indemnify the Insured against all sums which the Insured shall in his private capacity become legally liable to pay for compensation in respect of:

- (a) accidental death of or bodily injury or illness to any person other than a person being the Insured or any member of the Insured's family or household or in the employment of the Insured if such death, bodily injury or illness arises out of and in the course of such employment and/or
- (b) accidental loss of or damage to property other than property belonging to or leased, let, rented, hired or lent to or held in trust by or being in the care or custody or control of the Insured or any person in the employ of the Insured or any member of the Insured's family or household

occurring at any time during the period of insurance within the territorial limits and which is caused by or through the fault or negligence of the Insured, his wife or any member of his family normally residing with him

### PROVIDED THAT:

the liability of the Company in terms of this Section for all compensation payable to any one claimant or any number of claimants inclusive of all legal costs awarded to any claimant or incurred in the defence of any claim that is contested by or with the consent of the Company in respect of or arising out of any one occurrence or in respect of or arising out of all occurrences of a series consequent upon or attributable to one source or original cause, shall not exceed the amount stated in the Schedule.

### TERRITORIAL LIMITS

Anywhere in the World.

## SPECIFIC EXCEPTIONS

The indemnity afforded under this Section shall not apply to nor include claims for compensation in respect of:

1. liability assumed by the Insured by agreement excluding any liability assumed in terms of a written contract entered into with any organisation providing security, armed response or garden services unless such liability would have attached to the Insured notwithstanding such agreement;
2. any fines or penalties or punitive, exemplary or vindictive damages

### PROVIDED THAT:

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

3. (a) claims for compensation, legal costs and expenses in respect of death, any injury, illness, loss or damage directly or indirectly caused by or by means of or as a result of or originating from or attributable to seepage, pollution or contamination provided always that this Specific Exception shall not apply to claims for compensation and/or legal costs and expenses in respect of the accidental death of or bodily injury to or illness of any person or accidental physical loss of or damage to tangible property where such seepage, pollution or contamination is caused by a sudden unintended and unforeseen occurrence during the period of insurance;
- (b) any costs 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 during the period of insurance

PROVIDED THAT:

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

4. claims for compensation and legal costs and expenses in respect of death, injury or illness attributable to a gradual working cause which did not occur from a sudden and identifiable accident or occurrence;
5. claims for injury or damage which is the direct or indirect consequence of
  - (a) aircraft (except model aircraft), vehicles, trailers, motorboats, yachts or vessels
  - (b) the ownership or occupation of any land or buildings
  - (c) the pursuit or exercise of any trade, occupation, business or profession
  - (d) wilful or malicious acts
  - (e) cycles (other than pedal cycles used for social, domestic or pleasure purposes) or animals (other than dogs or cats attached to the household)
  - (f) explosives, rifles or firearms.

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| EXTENSIONS |
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1. **WRONGFUL ARREST OR SEARCH**

Notwithstanding anything to the contrary contained in this Section the Company will indemnify the Insured against all sums for which the Insured becomes legally liable to pay for damages resulting from the wrongful arrest or alleged wrongful arrest or search of any person (including assault in connection therewith)

PROVIDED THAT:

the liability of the Company for all compensation and damages and all costs and expenses of litigation and all other costs and expenses shall be limited to R25 000 (twenty five thousand rand) in respect of any one claim or series of claims arising out of one event subject to a maximum of R50 000 (fifty thousand rand) during any 12 (twelve) months period of insurance.

2. **FIRE EXTINGUISHING CHARGES**

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

3. **HOLE-IN-ONE**

This Section covers a payment of R1 000 (one thousand rand) if the Insured scores a hole-in-one playing as an amateur on any recognised golf course affiliated to a provincial Golf Union during a game played in terms of the official rules of golf provided that the Company receives written confirmation from the secretary of the club.

4. **CREDIT CARDS AND CREDIT VOUCHERS**

This Section is extended to indemnify the Insured and spouse against all sums for which the Insured and spouse shall become legally liable to pay as compensation in respect of the unlawful use by any person, not related to the Insured and spouse, of credit, cash or SIM (Subscriber Identity Module) cards and/or credit vouchers officially issued in the name of the Insured and/or spouse by any credit institution

PROVIDED THAT:

- (a) the Company shall not be liable under this Contingency unless the Insured and spouse, to whom the aforesaid credit, cash or SIM (Subscriber Identity Module) cards and/or credit vouchers were issued, shall have complied with the terms and conditions under which such credit, cash or SIM (Subscriber Identity Module) cards and/or credit vouchers were issued;
- (b) the liability of the Company under this Contingency for all compensation payable (irrespective of the number of claimants claiming compensation) in any 12 (twelve) months period of insurance shall not exceed the sum of R5 000 (five thousand rand).

5. FULL HOUSE

This Section covers a payment of R1 000 (one thousand rand) if the Insured forming part of a rink (team of four) which, playing as amateurs, scores a full house (that is, all eight bowls to count) in a game of bowls in any competition played in terms of the rules of the South African Bowling Association, at any recognised bowling club provided that the Company receives written confirmation from the secretary of the club.

## EXTENDED PERSONAL LEGAL LIABILITY

### DEFINED EVENTS

#### 1. COMPREHENSIVE LEGAL LIABILITY

The Company will indemnify the Insured up to the Limit of Indemnity stated in the Schedule for all sums which the Insured becomes 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 within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award, payment or settlement either in whole or in part) during the Period of Insurance to the extent that

1. such liability is not indemnifiable in terms of the Insuring Clause and/or Insurable Events Clause and/or Operative Clause of any Underlying Insurance  
or
2. such liability is not indemnifiable by reason of an Exclusion in any Underlying Insurance  
or
3. 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 purposes of this Policy is deemed to be a minimum of R500 000 (five hundred thousand rand) but R1 000 000 (one million rand) in respect of Motor Liability and/or Watercraft Liability.

#### 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.

## DEFINITION

### UNDERLYING INSURANCE

"Underlying Insurance" means an existing insurance policy in force with

1. A registered South African, Namibian or Botswana Insurer which covers one or more of the following:
  - Personal liability
  - Property owner's liability
  - Tenant's liability
  - Motor liability
  - Watercraft liability
2. Any Insurer in the world which covers one or more of the following:
  - Motor liability
  - Watercraft liability
  - Property owner's 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, Namibia or Botswana.



## SPECIFIC EXCEPTIONS

The Company will not indemnify the Insured in respect of liability:

1. arising out of or 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
2. 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
3. for the first R5 000 (five thousand rand) of any claim in relation to property hired, leased or borrowed by the Insured
4. arising out of the reckless disregard by the Insured of the possible consequences of his acts or omissions
5.
  - (i) of one Insured to another
  - (ii) to any former Insured in respect of an occurrence during any period when such former Insured was an Insured
6. arising out of loss of or damage to property to the extent that such liability is indemnifiable under any other insurance policy
7. arising out of the ownership or use of any aircraft other than model aircraft and hang-gliders
8. which is the subject of statutory or similar legislation controlling the use of motor vehicles or trailers and in respect of which liability
  - (i) the Insured is compelled to effect insurance or to furnish security or
  - (ii) the State or other government body or authority has accepted responsibility
9. for 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
10. 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
11. for loss of or damage to any self-propelled land vehicle, trailer, caravan, watercraft or aircraft in the Insured's care, custody or control
12. arising out of any dishonest, fraudulent or malicious act of the Insured or acts of physical assault or seduction committed by the Insured
13. 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
14. for any debt
15. for the failure to pay maintenance or alimony or any amounts following a breach of promise
16. 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
17. for the first R2 000 (two thousand rand) of any claim arising from the suspension or termination of employment of any domestic servant

18. arising out of any condition directly or indirectly caused by or associated with Human Immuno-deficiency Virus (HIV) or the mutants, derivatives or variations thereof or in any way related to Acquired Immuno Deficiency Syndrome or any syndrome or condition of a similar kind howsoever it shall be named
19. directly or indirectly caused by or contributed to by or arising from
  - (i) the radioactive, toxic, explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.

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| SPECIFIC CONDITIONS |
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1. The indemnity granted by this Section 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 conditions of such an Underlying Insurance.
2. The laws of the Republic of South Africa, Namibia and Botswana whose courts shall have exclusive jurisdiction in any dispute between the Company and the Insured will govern this Section.
3. Written notice must be given to the Company as soon as possible of any event that may give rise to a claim under this Section 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 a claim under this Section will not be construed as a breach of this condition.
4. 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 their 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 necessary information and assistance as may be required by the Company.
5. The indemnity granted by this Section in respect of seepage, pollution or contamination not caused by sudden, unforeseen, unintended and unexpected occurrences is limited to R250 000 (two hundred and fifty thousand rand) in the aggregate in any 12 (twelve) month period of insurance.
6. In the event of a claim for which the Company is liable for the maximum amount payable under any item the total amount of outstanding instalments for that item to the end of the current Period of Insurance will be deducted from the amount payable.
7. Payments under this Section will be made in the same currency as the premium payments.
8. 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.
9. No admission, offer, promise or payment in relation to a claim under this Section may be made or given by or on behalf of the Insured without the written consent of the Company. The Insured will take all reasonable steps to ensure that the underlying insurers will comply with this condition and cooperate with the Company in the defence and settlement of any claim which is indemnifiable both by an Underlying Insurance and this Section, 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.

## MOTORBOATS, YACHTS AND SMALL CRAFT

The Company shall indemnify the Insured against the following contingencies:

### SECTION 1 – LOSS OR DAMAGE TO THE VESSELS STATED IN THE SCHEDULE

#### SUB-SECTION A – VESSEL

##### DEFINED EVENTS

Loss of or damage to any vessels described in the Schedule whilst:

- (a) afloat at sea, in ports and rivers or on inland waters including docking, undocking, launching and hauling out and whilst being towed or towing water-skiers or vessels or crafts in distress

##### PROVIDED THAT:

- (i) such towage or salvage service is not undertaken in terms of a contract previously arranged by or on behalf of the Insured or any other party
- (ii) the insured vessel does not exceed 6 (six) metres in overall length
- (b) in transit by road, rail, sea or air including loading and unloading
- (c) ashore including dry-docking and at the premises of contractors for the purpose of overhauling, fitting out, upkeep, repair or survey.

### DEFINITIONS

“Vessel” shall mean:

the vessel's hull, motor, machinery, rudder, propeller, furniture, fixtures, fittings, accessories, and the vessel's boat(s), lifebuoys, moorings and chains, protective covers including outboard motor(s) and sails, spars, masts and rigging

##### PROVIDED THAT:

such property is insured under a separate sum insured in the Schedule excluding the property more specifically described in Sub-Section B.

#### SUB-SECTION B – OTHER PROPERTY

##### DEFINED EVENTS

Loss of or damage to the following property provided that such property is specifically described and insured under a separate sum insured in the Schedule:

- (a) boating-, yachting-, or crew's clothes, and other specified personal effects;
- (b) diving and fishing gear, water-skis, ski-ropes and other sports equipment;
- (c) food, fuel and other stores, lifebelts and medical kit;

- (d) binoculars, sextants, fish finding and similar equipment;
- (e) nautical books, maps and navigating equipment;
- (f) radar, radio, television and electronic equipment.

**SUB-SECTION C – TRAILER**

**DEFINED EVENTS**

Loss of or damage to the trailer and/or launching trolley described in the Schedule including the permanent fittings attached thereto.

**INSURED PERILS**

The property described in Section I Sub-Sections A, B and C is covered against accidental loss or damage not otherwise excluded, including

1. stranding, sinking or collision
2. bursting of boilers, breakage of shafts, latent defects in hull and/or machinery including accidents in loading, discharging and handling stores, equipment, gear, machinery or fuel and loss or damage caused by the negligence of any person whatsoever

PROVIDED THAT:

the cost of making good any defect resulting from either negligence or breach of contract in respect of any repair or alteration work carried out for the account of the Insured or in respect of maintenance is excluded

3. fire, selfignition, lightning, earthquake and explosion
4. storm, tempest and flood
5. theft or any attempt thereof;
  - (a) the entire vessel and/or it's boat(s) and/or trailer
  - (b) the vessel and/or boat and/or trailer and/or machinery and/or its fixtures and fittings or equipment including outboard motor(s) and the property more specifically described in Sub-Section B of the Schedule

PROVIDED THAT:

such theft is accompanied by actual forcible, visible and violent breaking into or out of:

- (i) unattended vessels, motor- or other vehicles;
- (ii) residential outbuildings not directly communicating with any private residence or any other place of storage;
- (c) outboard motor(s) whilst attached to the vessel

PROVIDED THAT:

such outboard motor(s) is securely locked to the insured vessel or its boat(s) by an anti-theft device in addition to the normal method of attachment

6. dropping off or falling overboard of the insured vessel's outboard motor(s)

PROVIDED THAT:

it is securely fastened to the insured vessel by a chain or other safety device in addition to the normal method of attachment

7. aircraft and other aerial devices or articles dropped therefrom or thereout.

IN ADDITION TO THE ABOVE THIS SECTION I ALSO COVERS

1. the expenses of sighting the bottom after the insured vessel has been stranded, sunk or in collision, if reasonably incurred specially for that purpose, even if no damage be found;
2. salvage charges incurred in preventing a loss by any peril stated in this Section;
3. costs and expenses reasonably incurred in minimising or averting a loss which would have resulted in a claim under this Section.
4. Credit Shortfall

If any total loss settlement under Section I - 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 motorboat, yacht and /or small craft
- (c) the increased instalments or rental that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled
- (d) the First Amount Payable under Section I - Sub-Section A

PROVIDED ALWAYS THAT:

- (i) the amounts payable shall not exceed the maximum indemnity less the First Amount Payable under Section I - Sub-Section A
- (ii) this Extension shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% (ten percent) from any other instalment
- (iii) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this Extension shall be void.

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| SPECIFIC EXCEPTIONS APPLICABLE TO SECTION 1 – SUB-SECTIONS A, B AND C |
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The Company shall not be liable for:

1. loss or damage directly or indirectly caused by or through or contributed to by wear and tear, depreciation, deterioration or occasioned by moth, vermin or rust;
2. consequential loss from any cause whatsoever;
3. damage to tyres of the trailer by road punctures cuts or bursts whilst on the road;
4. damage to springs of the trailer due to inequalities of the road or other surface;
5. loss of or damage to or the costs of repairing:
  - (a) mechanical or electrical breakdowns, failures or breakages;

- (b) motors, electrical machinery, batteries and their connections (including the shaft and propeller) and including metalling or repairs thereto unless caused by:
  - (i) the insured vessel being stranded, sunk, burnt, on fire, in collision or in contact with any external substance (including ice but excluding water);
  - (ii) theft of the entire vessel or theft accompanied by actual forcible, visible and violent breaking into or out of such vessel or place of storage or theft of the outboard motor(s) securely locked to the vessel by an anti-theft device in addition to its normal method of attachment or by fire in a place of storage ashore or whilst such property is being removed from or placed in the insured vessel;
  - (iii) explosion, earthquake, malicious acts, aircraft and other aerial devices or articles dropped therefrom or thereout;
- 6. loss of or damage to sails and protective covers split by the wind or blown away whilst set, unless:
  - (a) caused by the insured vessel being stranded, sunk, burnt, on fire or in collision or in contact with any external substance (including ice but excluding water);
  - (b) in consequence of damage to the spars to which the sails are bent;
- 7. damage resulting from scratching or bruising and/or denting and the cost of consequent repainting or revarnishing arising during transit or during loading or unloading;
- 8. loss of or damage to diving and fishing gear and other sports equipment which is directly attributable to the use of such equipment for the purposes for which it was manufactured;
- 9. any loss or expenditure incurred solely in remedying a fault in design or in the event of damage resulting from faulty design and giving rise to a claim under the conditions of this insurance, for any additional expenditure incurred by reason of betterment or alteration in design, or for the costs and expenses of replacing or repairing any part condemned solely in consequence of a latent defect or fault or error in design or construction;
- 10. loss of or damage to boat(s) not permanently marked with the name of the parent vessel insured under this Section;
- 11. loss of or damage to vessel(s) which is attributable to submerged objects under the water.

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| SPECIFIC CONDITIONS APPLICABLE TO SECTION 1 – SUB-SECTIONS A, B AND C |
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**1. BASIS OF CLAIM SETTLEMENT**

The basis of Indemnity under this Section in the event of loss of or damage to the property described in the Schedule shall be the cost of replacing or reinstating property of the same kind or type but not superior to or more extensive than the insured property when new except in respect of property manufactured, built, or purchased as new, more than 5 (five) years before the date of loss or damage in which case the basis of Indemnity shall be the reasonable cost of replacing, reinstating or repairs to the insured property but not exceeding the reasonable market value of such property at the time of such loss or damage unless otherwise specifically agreed by Endorsement

PROVIDED THAT:

- (a) the liability of the Company shall be limited to the indemnity stated above or the sum insured in respect of such property whichever is the lesser;
- (b) the maximum liability of the Company in any one period of insurance shall not exceed the total sum insured;
- (c) deductions on account of new material replacing old may be made at the Company's discretion in respect of loss or damage to
  - (i) sails, protective covers and running rigging;
  - (ii) outboard motor(s), inboard motor(s), batteries and machinery;

- (d) in the event of loss of or damage to the property insured the Company's liability in respect of any new parts which may be required as a result of such loss or damage and which are unobtainable in the Republic of South Africa, Namibia or Botswana or are obsolete in pattern, shall be limited to the value of such parts at the time of the loss or damage but not exceeding the manufacturer's last issued catalogue or price list for such parts;
- (e) the Company shall not be liable for glitter and/or decorative and/or similar finish unless specifically stated in the Schedule that indemnity for such repairs are included and the Insured has paid the premium required therefore;
- (f) the Company shall not be liable for un-repaired damage in addition to a subsequent total loss sustained during the period of insurance stated in the Schedule.

## 2. UNDERINSURANCE

If the total value of the property covered shall at the time of the loss or damage be greater than the total sum insured, the Insured shall be considered as being his own Insurer for the difference and shall bear a rateable share of the loss accordingly. Every item if more than one shall be separately subject to this condition. Subject always to the provisions of Specific Condition 1 above which shall be taken into account in calculating the value of the property at the time of such loss or damage.

## 3. FIRST AMOUNT PAYABLE – SECTION I

In respect of each and every occurrence giving rise to a claim the Insured shall be responsible for the First Amount Payable specified below or any lesser expenditure which may be incurred. If the expenditure incurred by the Company shall include the amount for which the Insured is responsible such amount shall be paid by the Insured to the Company forthwith

### SUB-SECTION A - VESSEL

- (i) Jetski's R1 000 (one thousand rand)
- (ii) all other vessels as described R250 (two hundred and fifty rand)

### SUB-SECTION B - OTHER PROPERTY

R250 (two hundred and fifty rand)

### SUB-SECTION C - TRAILER

R250 (two hundred and fifty rand)

### PROVIDED THAT:

- (a) in the event of more than one item of a Sub-Section being involved in the same occurrence giving rise to a claim the Insured shall only be responsible for the First Amount Payable in respect of the aggregate claim of all such items;
- (b) in the event of more than one Sub-Section being involved in the same occurrence giving rise to a claim the Insured shall only be responsible for the First Amount Payable of either Sub-Section A or Sub-Section B or Sub-Section C, whichever is the highest in respect of the aggregate claim of all such Sub-Sections.

The expression "occurrence" shall mean an occurrence or series of occurrences arising out of one cause in connection with the vessel, trailer or other property insured under this Section.

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| SECTION II – LIABILITY |
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### SUB-SECTION A – LIABILITY TO THIRD PARTIES (If stated in the Schedule to be included)

#### DEFINED EVENTS

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

- (a) accidental death of or bodily injury to or illness of any person;
- (b) accidental loss of or damage to property including loss of or damage to piers, docks, wharves and jetties and the cost of any attempted or actual raising, removal or destruction of the wreck of the vessel or neglect or failure to raise, remove or destroy it;

arising out of the use of or caused by the vessel, trailer or other property described in the Schedule.

**SUB-SECTION B - LIABILITY TO NON-FARE PAYING PASSENGERS – ONLY IN RESPECT OF MOTORBOATS, YACHTS AND SMALL CRAFT (If stated in the Schedule to be included)**

**DEFINED EVENTS**

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

- (a) accidental death of or bodily injury to or illness of any person;
- (b) accidental loss of or damage to the property of any person;

whilst he/she is travelling upon the vessel described in the Schedule or embarking thereon or disembarking therefrom

PROVIDED THAT:

such passenger(s) is not transported for reward.

**SUB-SECTION C - LIABILITY IN RESPECT OF WATER-SKIERS OR PARASAILORS – ONLY IN RESPECT OF MOTORBOATS, YACHTS AND SMALL CRAFT (If stated in the Schedule to be included)**

**DEFINED EVENTS**

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

- (a) accidental death of or bodily injury to or illness of any person;
- (b) accidental loss of or damage to property of any person;

engaged in water-skiing or parasailing whilst being towed by the vessel described in the Schedule or whilst such person are preparing to be towed or after being towed until safely on board such vessel including liability as defined above in respect of:

- (a) accidental death of or bodily injury to or illness of any person;
- (b) accidental loss of or damage to the property of any person;

incurred by water-skiers or parasailors operating with the vessel described in the Schedule

PROVIDED THAT:

- (a) such water-skier or parasailor is not entitled to indemnity under any other Policy;
- (b) such water-skier or parasailor shall, as though he/she were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this Section in so far as they can apply.

**SUB-SECTION D - NAVIGATION BY OTHER PERSONS – ONLY IN RESPECT OF MOTORBOATS, YACHTS AND SMALL CRAFT**

**DEFINED EVENTS**

The provisions of Section II - Sub-Sections A, B and C of this Section shall extend to any person other than:



- (a) a person operating or employed by the operator of a shipyard, repair yard or slipway;
- (b) a person operating or employed by a yacht or motor boat club, sales agency or similar organisation;

whilst he/she is navigating or in charge of the vessel described in the Schedule, on the order or with the permission of the Insured

PROVIDED THAT:

- (a) such person is not entitled to indemnity under any other Policy;
- (b) such person shall, as though he/she were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this Section in so far as they can apply;
- (c) such person has not been refused yacht or motor boat insurance or continuance thereof by any other insurance company or underwriter.

#### SUB-SECTION E - COSTS AND EXPENSES

##### DEFINED EVENTS

The provisions of Section II - Sub-Sections A, B, C and D of this Section are extended to cover:

- (a) the expenses incurred by the Insured, by reason of his/her interest in the vessel described in the Schedule, in connection with official enquiries and inquests;
- (b) law costs incurred in defending any action or contesting liability;

PROVIDED THAT:

such costs and expenses are incurred with the written consent of the Company;

- (c) all sums for which the Insured shall become legally liable to pay in connection with accidents due to or alleged to be due to first aid treatment administered or made available by the Insured

PROVIDED THAT:

any liability in respect of wrongful diagnosis is expressly excluded;

- (d) if more than one party be named as the Insured in the Schedule of this Section then each of such parties shall be deemed to be indemnified in accordance with the indemnity afforded under this Sub-Section as if a separate insurance has been issued to each of such parties and the Company agrees to waive all rights of subrogation which the Company may have or require against any one of such parties.

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| SPECIFIC EXCEPTIONS APPLICABLE TO SECTION II – SUB-SECTIONS A, B, C, D AND E |
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The Company shall not be liable for:

1. death of or bodily injury to or illness of:
  - (a) any person being a member of the same household as the Insured or any person being a member of the Insured's family;
  - (b) workmen or any person employed by the Insured in any capacity whatsoever arising out of and in the course of such employment;
  - (c) any person being conveyed in or on the trailer described in the Schedule;
2. loss of or damage to property:

- (a) belonging to the Insured or is leased, hired, lent or in the charge, custody, control or held in trust by or on behalf of the Insured;
  - (b) conveyed or about to be conveyed in or on the vessel and/or trailer except in respect of property belonging to passengers and water-skiers provided that liability of water-skiers is included in the Schedule of this Section;
3. claims for compensation in respect of fare-paying passengers;
  4. liability assumed by agreement unless such liability would have attached to the Insured notwithstanding such agreement;
  5. any advice or treatment, other than first aid treatment given or administered by the Insured or by any person acting on the Insured's behalf;
  6. accidents arising whilst the vessel and/or trailer is in transit by road or attached to a motor vehicle or has broken away or become accidentally detached from a motor vehicle including any liability which is the subject of indemnity under any form of motor vehicle insurance (whether such insurance is required by any law, or not) notwithstanding that no such insurance is in force or has been effected;
  7. liability of or to water-skiers or parasailors unless specifically insured under Section II - Sub-Section C.

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| SPECIFIC CONDITIONS APPLICABLE TO SECTION II – SUB-SECTIONS A, B, C, D AND E |
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**Limits of liability**

**1. In respect of Motorboats, Yachts and Small Craft only**

The liability of the Company in respect of:

- (a) accidental death and/or bodily injury, and/or illness and/or
- (b) accidental loss of or damage to property and/or
- (c) costs and/or expenses

shall be limited to the sums specified hereunder in respect of any one accident or series of accidents due to or arising out of any one event or occurrence:

| SUB-SECTION | LIABILITY  | LIMIT OF LIABILITY |
|-------------|--|--------------------|
| A           | To Third Parties   | R1 000 000         |
| B           | To Passengers  | R1 000 000         |
| C           | To and/or of Water-skiers or Parasailors if specifically insured | R1 000 000         |
| E           | In the aggregate of (a), (b) and (c) above                       | R 10 000           |

**PROVIDED ALWAYS THAT:**

in the event of the Insured becoming liable in respect of claims arising out of one accident or series of accidents due to or arising out of any one event or occurrence involving compensation under more than one Sub-Section of this Section the liability of the Company shall be limited to R1 000 000 (one million rand) in the aggregate.

**2. In respect of Jet Ski's only**

The liability of the Company in respect of:

- (a) accidental death and/or bodily injury, and/or illness and/or

(b) accidental loss of or damage to property and/or

(c) costs and/or expenses

shall be limited to the sums specified hereunder in respect of any one accident or series of accidents due to or arising out of any one event or occurrence:

| SUB-SECTION | LIABILITY                                  | LIMIT OF LIABILITY  |
|-------------|--|---|
| A           | To Third Parties                           | R250 000 or the limit stated in the Schedule whichever is the greater |
| E           | In the aggregate of (a), (b) and (c) above | R 10 000  |

PROVIDED ALWAYS THAT:

in the event of the Insured becoming liable in respect of claims arising out of one accident or series of accidents due to or arising out of any one event or occurrence involving compensation under more than one Sub-Section of this Section the liability of the Company shall, in the aggregate, be limited to R250 000 (two hundred and fifty thousand rand) or the limit of liability stated in the Schedule whichever is the greater.

### SECTION III – MEDICAL EXPENSES

#### DEFINED EVENTS

Doctors' or surgeons' fees up to R5 000 (five thousand rand) in the aggregate for emergency attendance upon the Insured or the Insured's spouse or children who are in the Insured's custody as a direct result of the vessel sinking or being in collision with another vessel or in contact with any external substance (including ice but excluding water).

#### SPECIFIC EXCEPTIONS APPLICABLE TO SECTIONS I, II AND III ALL SUB-SECTIONS

1. The Company shall not be liable for loss, damage, expense or liability of whatsoever nature directly and/or indirectly caused by or contributed to by or arising from:
  - (a) capture, seizure, arrest, restraint or detainment and the consequences thereof or of any attempt thereat; also from the consequence of hostilities or warlike operations, whether war be declared or not; but this exception shall not exclude collision, contact with any fixed or floating object (other than a mine or torpedo), stranding, heavy weather or fire unless caused directly (and independently of the nature of the voyage or service which the vessel concerned or, in case of collision, any other vessel involved therein, is performing) by a hostile act by or against a belligerent power; and for the purpose of this exclusion "power" includes any authority maintaining naval, military or air forces in association with a power;
  - (b) piracy;
  - (c) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clauses 1(a) and 1(b) above.

If the Company alleges that by reason of clauses 1(a) to 1(c) above, loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

SPECIFIC CONDITIONS, CLAUSES AND EXTENSIONS APPLICABLE TO SECTIONS, I, II AND III ALL SUB-SECTIONS

1. 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.

2. SPEED LIMIT

The maximum designed speed of the insured vessel, or the parent vessel in the case of a vessel with boat(s) may not exceed 53.75 knots (100 kilometres) per hour.

3. 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, Lesotho, Botswana, Swaziland Namibia, Mozambique, Zimbabwe and Malawi;
- (b) outside a cruising range of 12 (twelve) nautical miles from the coast of the Republic of South Africa, Namibia or Mozambique

unless such geographical and cruising range in respect of motorboats, yachts and small craft are specifically extended by Endorsement.

4. DESCRIPTION OF USE

Use for social, domestic, pleasure and private purposes excluding

- (a) use in connection with any business, trade or profession or whilst the insured property is let out on hire or charter;
- (b) use for racing or speed tests or any trials in connection therewith;

PROVIDED THAT:

if the Insured has paid the additional premium required for this Extension the Company will indemnify or compensate the Insured in terms of this Section whilst the vessel is used for racing or speed tests or any trials in connection therewith.

5. CLAIMS

- (a) Notification of claims

Should the geographical and cruising range be extended by Endorsement immediate notice must be given to the nearest Lloyd's Agent in the event of an occurrence taking place within such extended range.

- (b) Repairs and tenders

The Company shall be entitled to decide the port or place to which the vessel shall proceed for docking or repair

PROVIDED THAT:

the additional expense of the voyage arising from compliance with the Company's requirements being refunded to the Insured. The Company shall have a right of veto concerning the place of repair or repairing firm and may also

take tenders or may require tenders to be taken for the repairs of the vessel or other property insured under this Section.

(c) Reinstatement

The Company may at their option reinstate or replace any part of the insured property lost or damaged instead of paying the amount of the loss or damage in money. Reinstatement effected as nearly as reasonably practicable to be deemed sufficient notwithstanding that the former appearance and condition of the property may not be precisely restored. If the Company elects to reinstate or replace, the Insured shall provide them when required, with all such plans, specifications and information as may be deemed necessary or expedient for the purpose.

(d) Constructive total loss

In ascertaining whether the vessel is a constructive total loss the insured value shall be taken as the repaired value, and nothing in respect of the damaged or breakup value of the vessel or wreck shall be taken into account. No claim for constructive total loss based upon the cost of recovery and/or repair of the vessel shall be recoverable hereunder unless such cost would exceed the insured value.

(e) Sister ships

Should the insured vessel come into collision with or receive salvage services from another vessel belonging wholly or in part to the Insured, or under the same management, the Insured shall have the same rights under this Section as he would have were the other vessel entirely the property of owners not interested in the insured vessel but in such cases the liability for the collision shall be referred to a sole Arbitrator to be agreed upon between the Company and the Insured.

6. ASSIGNMENT

No assignment of or interest in this Section or in any money which may be or become payable thereunder is to be recognised by or binding on the Company unless a dated notice of such assignment or interest signed by the Insured and (in the case of subsequent assignment) by the assignor be endorsed on this Section and the Section with such endorsement be produced before payment of any claim or return of premium thereunder, but nothing in this clause to have effect as an agreement by the Company to a sale or transfer to new management.

7. HIRE PURCHASE

If to the knowledge of the Company the vessel, trailer or other property insured by this Section is the subject of a hire purchase or similar agreement, 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.

8. LAID UP PERIODS

No return of premium shall be allowed in respect of periods during which the vessel may be laid up.

9. NO RIGHTS TO ANY PERSON OTHER THAN THE INSURED

Nothing contained in this Section shall give any rights against the Company to any person other than the Insured. Any extension of the Company's liability, under any Sub-Section of this Section, in respect of any person other than the Insured shall give no right of claim under this Section to such person, the intention being that the Insured shall in all cases claim for and on behalf of such person and the receipt of the Insured shall in any case absolutely discharge the Company's liability under this Section.

10. SUBMERGED OBJECTS UNDER THE WATER – EXCLUDING RUBBER VESSELS AND OUTBOARD MOTORS (if stated in the Schedule to be included)

Notwithstanding anything to the contrary contained in Specific Exception 11 applicable to Section I Sub-Sections A, B and C above this Section is extended to include the following:

- (a) loss of or damage to hulls (excluding rubber vessels and outboard motor(s)) which is directly attributable to submerged objects under the water.

11. SUBMERGED OBJECTS UNDER THE WATER – INCLUDING OUTBOARD MOTORS (If stated in the schedule to be included)

Notwithstanding anything to the contrary contained in Specific Exception 11 applicable to Section I Sub-Sections A, B and C above this Section is extended to include the following:

- (a) loss of or damage to the vessel(s) (excluding the hull of rubber vessels) which is directly attributable to submerged objects under the water.

12. RIOT AND STRIKE (If stated in the Schedule to be included)

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

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

Provided that this Extension does not cover

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

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

## ELECTRONIC EQUIPMENT

### SUB-SECTION A: MATERIAL DAMAGE

#### DEFINED EVENTS

The Company shall indemnify the Insured in respect of:

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

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

### EXCEPTIONS APPLICABLE TO SUB-SECTION A

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

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

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

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

PROVIDED THAT:

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

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

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

**(1) PARTIAL LOSS**

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

PROVIDED THAT:

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

**(2) TOTAL LOSS**

In cases where the new property insured is totally lost or destroyed, the basis of indemnification shall be:

the cost of replacing or reinstating on the same site new property of equal performance and/or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or damaged



PROVIDED ALWAYS THAT:

- (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 exceeding the market value of the property insured immediately before the damage shall be made;
- (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 fails to intimate to the Company within six (6) months of the date upon which the damage occurred (or such further time as the Company may in writing allow) their intention to replace or reinstate the property insured;
  - (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 Section.

UNDERINSURANCE

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

LIMIT OF LIABILITY

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

(A) ARCHITECTS' AND OTHER PROFESSIONAL FEES

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

PROVIDED THAT:

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

(B) CLEARANCE COST CLAUSE

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

PROVIDED THAT:

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

(C) EXPRESS DELIVERY AND OVERTIME

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

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| CLAUSES AND EXTENSIONS APPLICABLE TO SUB-SECTION A |
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1. POWER SURGE OR LIGHTNING STRIKES

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

2. FIRE EXTINGUISHING CHARGES

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

3. TENANTS

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

PROVIDED THAT:

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

4. HIRE PURCHASE/FINANCE AGREEMENTS

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

5. LAPTOPS – EXTENDED COVER (If stated in the Schedule to be included)

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

Physical loss of or damage to Laptops described in the Schedule resulting from theft or by disappearance of the insured property while anywhere in the world

PROVIDED THAT:

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

- (a) 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
- (b) theft of the property insured from any motor vehicle where the property has been

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

PROVIDED THAT:

- (i) and (ii) above shall not apply to theft of the property insured where the transport vehicle
  - (a) has been hijacked or
  - (b) has been involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected.

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| <b>SUB-SECTION B: CONSEQUENTIAL LOSS</b> |
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**DEFINED EVENTS**

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

**(I) INCREASED COST OF WORKING**

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured during the indemnity period in consequence of the accident for the sole purpose of avoiding or diminishing the interruption of or interference with the normal business of the Insured

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of an accident.

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

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

PROVIDED THAT:

in respect of each and every event or series of events arising out of or in connection with any one original cause or source indemnifiable by this item the Insured shall be responsible for the First Amount Payable of R250 (Two Hundred and Fifty Rand).

**(II) REINSTATEMENT OF DATA/PROGRAMMES**

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

PROVIDED THAT:

- (a) the indemnity shall not extend to nor include such costs incurred due to program errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programs;
- (b) in respect of each and every event or series of events arising out of or in connection with any one original cause or source indemnifiable by this item, the Insured shall be responsible for the First Amount Payable of R250 (Two Hundred and Fifty Rand);

- (c) where the Insured elects to insure programs (software), a schedule of such programs shall be lodged with the Company at the commencement of each period of insurance;
- (d) the indemnity by this item shall be limited to R5 000 (five thousand rand) or the amount stated in the Schedule whichever is the greater.

## DEFINITIONS

### INDEMNITY PERIOD

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

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

### ACCIDENT

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

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

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

### THE LIMIT OF LIABILITY

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

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

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

## SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION B

### 1. FINES AND PENALTIES

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

## 2. LOSS OF PROFIT

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

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| CLAUSES AND EXTENSIONS APPLICABLE TO SUB-SECTION B |
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### 1. REINSTATEMENT

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

- (a) the Insured being unable or unwilling to replace or reinstate property destroyed or damaged, or failing to carry out such replacement or reinstatement, within a reasonable time, or
- (b) additions, alterations or improvements being effected to the property insured on the occasion of its repair

the Company's liability under this Section, shall be related solely to the business interruption which would have arisen in the absence of (a) and (b).

### 2. TELKOM ACCESS LINES (If stated in the Schedule to be included)

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

PROVIDED ALWAYS THAT:

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

#### SPECIAL CONDITIONS APPLICABLE TO TELKOM ACCESS LINES

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

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| GENERAL MEMORANDA |
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#### MEMO 1 - CAPITAL ADDITIONS AND CURRENCY FLUCTUATIONS

The indemnity by this Section shall include:

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

PROVIDED THAT:

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

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

PROVIDED THAT:

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

#### MEMO 2 - PREVENTION OF ACCESS

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

PROVIDED THAT:

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

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| SPECIAL EXCEPTION (SUB-SECTIONS A AND B) |
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#### 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.

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| GENERAL EXTENSION |
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#### INCOMPATIBILITY COVER (If stated in the Schedule to be included)

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

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

PROVIDED ALWAYS THAT:

- (1) the costs provided for in (a), (b) and (c) above shall be necessarily and reasonably incurred to maintain normal working conditions;
- (2) such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of Sub-Sections A or B (item II) of this Section ;

- (3) the cover afforded hereunder shall be restricted to:
- (i) parts or components of the electronic system which are not indemnifiable under Sub-Section A hereof;
  - (ii) programs or data reinstated not indemnifiable under item (II) of Sub-Section B hereof;
- (4) the indemnity by this Extension shall, in respect of any one event, be limited in the aggregate to 20% (twenty percent) of the applicable total sum insured under Sub-Section A (The limit of indemnity) and Sub-Section B item (II) or R25 000 (twenty five thousand rand), whichever is the lesser.

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| SPECIFIC CONDITIONS APPLICABLE TO SUB-SECTION A |
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1. COMPULSORY FIRST AMOUNT PAYABLE

(a) Basic First Amount Payable – Sub-Section A

The Insured shall be responsible for the first R250 (Two Hundred and Fifty Rand) in respect of each and every claim.

(b) Theft or disappearance (excluding Extension 5 of Sub Section A)

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

(c) Laptop – Extended cover (Extension 5)

The Insured shall be responsible for the first 10% (ten percent) subject to a minimum of R1 500 (one thousand five hundred rand) in respect of each and every claim.

## MOTOR

### SUB-SECTION A - LOSS OR DAMAGE

#### DEFINED EVENTS

Loss of or damage to any vehicle described in the Schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the Company will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the prior consent of the Company to the extent of but not exceeding R5 000 (five thousand rand) over and above the amount of the First Amount Payable for which the Insured is responsible under this Sub-Section provided that a detailed estimate is first obtained and immediately forwarded to the Company. The Company will also pay the reasonable cost of delivery to the Insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi or Mozambique.

The Company will indemnify the Insured in respect of the cost of replacing any window glass, headlamp glass and taillight glass, headlamp units and taillight units forming part of the vehicle as a result of incidents which do not cause other damage to the vehicle after deduction of that portion of the First Amount Payable for which the Insured is responsible in terms of this Section, in respect of window glass, headlamp glass and taillight glass, headlamp units and taillight units

#### PROVIDED THAT:

1. the limit of indemnity for each type of vehicle is as stated in the Schedule and shall be the maximum amount payable by the Company in respect of such loss or damage, but shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such loss or damage. Furthermore in the event of any part, accessory or fitment needed to replace damage to the vehicle being unprocurable in the Republic of South Africa, Namibia and Botswana as a standard (ready manufactured) article, the liability of the Company shall be met by the payment of a sum equaling the value of such part, accessory or equipment at the time of the accident but not in any case exceeding the manufacturer's latest list price as well as import cost for such part, accessory or fitment
2. the Company may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the reasonable market value of such vehicle and/or its accessories and/or spare parts at the time of such loss or damage
3. if, to the knowledge of the Company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of such loss or damage
4. in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion or following upon theft or attempted theft of motor radios as stated in 5(ii) and 5(iii) below) under this Sub-Section, the Insured shall be responsible for the First Amount Payable stated in the Schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this Sub-Section (including any payment in respect of costs, expenses and fees), and of any expenditure by the Company in the exercise of any discretion it may have under this insurance

#### PROVIDED THAT:

if the Insured or his spouse is the owner of any private type motor car, light delivery vehicle (LDV) or panel van as defined under Definitions (a) and (b) of this Section of The Policy, insured and stated in the Schedule as being included and such vehicle, at the time of the occurrence giving rise to a claim, is under control of the Insured or his spouse and the Insured or his spouse is older than 55 (fifty five) years but younger than 75 (seventy five) years of age, the amount in terms of points 1(a) 7 (a) and 7 (b) (i) of the First Amount Payable stated in the Schedule is amended to read nil.

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. in respect of each and every occurrence giving rise to a claim following upon theft or attempted theft of motor radios, cassette players and any other equipment of a similar nature or telephones:

(i) if supplied by the manufacturer of the vehicle when new subject to the replacement value of the item

PROVIDED THAT:

the Insured shall be responsible for the First Amount Payable stated in the Schedule - Loss or Damage (depending on the type of vehicle) in respect of 5(i) above

(ii) not supplied by the manufacturer of the vehicle when new and not specified as a separate item in the Schedule will be limited to R2 000 (two thousand rand) and shall not be subject to any First Amount Payable

(iii) not supplied by the manufacturer of the vehicle when new and specified as a separate item in the Schedule the Company will indemnify the Insured up to the amount stated in the Schedule

PROVIDED THAT:

the Insured shall be responsible for the First Amount Payable of 10% (ten percent) of each and every loss with a minimum of R350 (three hundred and fifty rand) in respect of 5(iii) above.

#### EXCEPTIONS TO SUB-SECTION A

The Company shall not be liable to pay for;

- (a) consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a Defined Event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages
- (b) damage to tyres 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) 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 becomes legally liable to pay all sums including claimant's costs and expenses in respect of;

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

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

- 1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this Sub-Section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this Sub-Section, provided that the total of the Company's liability under both this Extension and Sub-Section B shall not exceed the limit of indemnity stated to apply to Sub-Section B

2. indemnify any person who is driving or using such vehicle on the Insured's order or with the Insured's permission

PROVIDED THAT:

- (a) such person shall, as though he/she were the Insured, observe, fulfill and be subject to the Terms, Exceptions and Conditions of this insurance in so far as they can apply
  - (b) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer
  - (c) indemnity shall not apply in respect of claims made by any member of the same household as such person
  - (d) such person is not entitled to indemnity under any other Policy except in respect of any amount not recoverable thereunder
3. indemnify the Insured or any member of the Insured's household who normally resides with the Insured and who is dependent on the Insured while personally driving or using any private type motor car, light delivery vehicle (LDV) or panel van not belonging to him/her and not leased or hired to him/her under a lease or suspensive sale agreement, provided the Insured is an individual and has insured hereunder a vehicle described under Definition (a) or (b) and provided the Company shall not be liable for damage to the vehicle being driven or used
  4. indemnify the Insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided the Company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon .

|                                      |
|--------------------------------------|
| SPECIFIC EXCEPTIONS TO SUB-SECTION B |
|--------------------------------------|

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

- (a) so much of any compensation or claim as falls within the scope of any Compulsory Motor Vehicle Insurance Enactment. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected
- (b) death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in Definition (b), (c), (d), (e), (f) or (g) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of (b) and (g) as defined)
- (c) liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.

#### Limits of Indemnity

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

PROVIDED THAT:

the limits of indemnity in terms of this Sub - Section as stated in the Schedule are amended to read as follows applicable only to the driver of a vehicle with a valid driver's license for a period of validity of 5 (five) years or less.

- (a) R2 500 000
- (b) R2 500 000
- (c) R2 500 000

## SUB-SECTION C – MEDICAL EXPENSES

### DEFINED EVENTS

If an occupant in the specified part of a vehicle described below, in direct connection with such vehicle, sustains bodily injury by violent, accidental, external and visible means, the Company will pay to the Insured the medical expenses incurred as a result of such injury up to R5 000 (five thousand rand) per injured occupant but not exceeding R20 000 (twenty thousand rand) in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

The amount payable under this Sub-Section shall be reduced by any amount recoverable under any Workmen's Compensation Enactment or similar legislation.

The term Medical Expenses includes any costs incurred to free such injured occupant from such vehicle or to bring such injured occupant to a place where medical treatment can be given.

| Defined vehicle but only if it is insured under Sub-Section A of this Section   | Specified part of vehicle in which the injury must occur |
|---|--|
| 1. Any private type motor car or motorized caravan including vehicles specifically adapted or designed for the purpose of sightseeing drives or organised tours relating to any winemaking processes, wine tasting and/or any activities of a similar nature or accommodating commercial hunting and game viewing activities and (where applicable) registered in terms of and in compliance with the licensing laws. | Anywhere inside and/or on the vehicle.                   |
| 2. Any other type of insured vehicle other than a bus or taxi.  | The permanently enclosed passenger carrying compartment. |

## DEFINITIONS

### 1. Occurrence

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

### 2. Vehicle

The term vehicle shall mean:

- (a) private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 9 (nine) persons including the driver)
- (b) commercial or light delivery vehicles (LDV's) and panel vans with a carrying capacity not exceeding 2 000 kilograms, vehicles specifically adapted or designed for the purpose of sightseeing drives or organised tours relating to any winemaking processes, wine tasting and/or any activities of a similar nature or accommodating commercial hunting and game viewing activities, motorized caravans including all permanent fixtures, fittings, equipment, utensils, mattresses (not exceeding the number prescribed by the manufacturer's standard specifications) and side tents and motor cycles as defined in terms of (c) below
- (c) motor cycles, self-propelled tricars, scooters and four wheel motor cycles
- (d) buses designed to seat more than 9 (nine) persons, including the driver
- (e) trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a motorized vehicle, motorized lawnmowers and motorized golf carts but excluding any parts or accessories not permanently fitted thereto, non-

motorized caravans and pick-a-back caravans including all permanent fixtures, fittings, equipment, utensils, mattresses (not exceeding the number prescribed by the manufacturer's standard specifications) and side tents of such non-motorized caravans and pick-a-back caravans

- (f) special type vehicles as described in the Schedule (excluding irrigation systems on wheels and centre pivots)
- (g) agricultural implements (excluding irrigation systems on wheels and centre pivots)

any such vehicle being owned by or hired or leased to the Insured, including any such vehicle temporarily operated by the Insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the Company's maximum liability shall not exceed the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the Schedule.

3. No Claim Groups and No Claim Discount provisions on specified vehicle basis (Not applicable if Optional Limitations 1, 2 and 3 are applicable)

- (a) Claim Free Groups 1 to 9 applicable to private type motor cars, light delivery vehicles (LDV's) or panel vans as defined in Definitions (a) and (b) only in respect of light delivery vehicles (LDV's) or panel vans
- (b) Claim Free Groups 1 to 6 applicable to motorcycles and four wheel motor cycles as defined under Definition (c)
- (c) no Claim Discount 1 to 4 applicable to commercial vehicles (excluding light delivery vehicles (LDV's) or panel vans, motor cycles and four wheel motor cycles), buses, trailers and special type vehicles as defined under Definition (b) (excluding light delivery vehicles (LDV's) or panel vans), (c), (d), (e) and (f).

In the event of no claim arising under this Section during a Period of Insurance (or Term of Insurance in the case of a Monthly Policy) specified below immediately preceding the renewal of this Section, the Renewal Premium (or Renewal Premiums for the Term of Insurance in the case of a Monthly Policy) for that vehicle will be calculated in accordance with the Claim Free Group/ No Claim Discount scale stated below:

| (i) <u>Term of Insurance</u>                 | <u>Claim Free Group</u> |                |
|--|-------------------------|----------------|
|  | Definition (a) and (b)  | Definition (c) |
| less than one year                           | 0                       | 0              |
| the preceding year                           | 1                       | 1              |
| the preceding two consecutive years          | 2                       | 2              |
| the preceding three consecutive years        | 3                       | 3              |
| the preceding four consecutive years         | 4                       | 4              |
| the preceding five consecutive years         | 5                       | 5              |
| the preceding six consecutive years          | 6                       | 6              |
| the preceding seven consecutive years        | 7                       | -              |
| the preceding eight consecutive years        | 8                       | -              |
| the preceding nine or more consecutive years | 9                       | -              |

However should a claim arise in respect of private type motor cars and light delivery vehicles (LDV's) or panel vans stated above during any Period of Insurance (or Term of Insurance in the case of a Monthly Policy) when Claim Free Groups 3, 4, 5, 6, 7, 8 or 9 applies, the Renewal Premium for the subsequent Period of Insurance (or Renewal Premiums for the subsequent Term of Insurance in the case of a Monthly Policy) will be calculated on Claim Free Group 1, 2, 3, 4, 5, 6, or 7 respectively

However, should a claim arise in respect of motor cycles or four wheel motor cycles during any Period of Insurance (or Term of Insurance in the case of a Monthly Policy) when a Claim Free Group 3, 4, 5 or 6 applies, the Renewal Premium for the subsequent Period of Insurance (or Renewal Premiums for the subsequent Term of Insurance in the case of a Monthly Policy) will be calculated on Claim Free Groups 1, 2, 3 or 4 respectively.

(ii) Term of Insurance

No Claim Bonus

|                                       |     |
|---------------------------------------|-----|
| less than one year                    | 0%  |
| the preceding year                    | 15% |
| the preceding two consecutive years   | 20% |
| the preceding three consecutive years | 30% |
| the preceding four consecutive years  | 40% |

However should a claim arise in respect of a vehicle stated above during any Period of Insurance (or Term of Insurance in the case of a Monthly Policy) when No Claim Discounts of 30% (thirty percent) or 40% (forty percent) applies, the Renewal Premium for the subsequent Period of Insurance (or Renewal Premiums for the subsequent Term of Insurance in the case of a Monthly Policy) will be calculated on No Claim Discount 15% (fifteen percent) or 20% (twenty percent), respectively.

If more than one vehicle is described in the Schedule the Claim Free Group/No Claim Discount shall be applied as if a separate Policy had been issued in respect of each vehicle.

The Claim Free Group/No Claim Discount shall not be affected by any claim in respect of:

- (a) any window glass, headlamp glass, taillight glass, headlamp glass, headlamp units and taillight units;
- (b)
  - (i) Extension 6 Loss of Keys,
  - (ii) Extension 11 Removal and protection costs following mechanical breakdown,
  - (iii) Extension 12 Emergency Accommodation,
  - (iv) Extension 13 Trauma Treatment
  - (v) Extension 14 Damage to tyres up to R15 000
  - (vi) Extension 23 Funeral Benefit.

Unless the Company consent to a transfer of interest in this Policy the Claim Free Group/No Claim Discount is not transferable.

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| EXTENSIONS |
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1. CONTINGENT LIABILITY

The indemnity under Sub-Section B includes claims made against;

- (a) the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the Insured, while being used by any partner or director or employee of the Insured (hereinafter in this Extension referred to as such person)
- (b) any such person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to him/her or to the Insured or leased or hired by either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any insurer

PROVIDED THAT:

- (i) all the words in (b) of the Exceptions to Sub-Sections B are deleted
- (ii) the Company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above
- (iii) the payment by the Insured of subsidies or traveling allowances to such person for the use of his/her own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this Extension
- (iv) if, at the time of the occurrence of any accident giving rise to a claim under this Extension, the Insured or such person is entitled to indemnity under any other Policy in respect of the same occurrence, the Company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other Policy
- (v) the Terms, Exceptions and Conditions of the Policy shall otherwise apply.

2. PASSENGER LIABILITY (EXCLUDING SIGHTSEEING DRIVES OR ORGANISED TOURS RELATING TO ANY WINEMAKING PROCESSES, WINE TASTING AND/OR ANY ACTIVITIES OF A SIMILAR NATURE OR ACCOMMODATING COMMERCIAL HUNTING AND/OR GAME VIEWING ACTIVITIES).

Exception (b) to Sub-Section B shall not apply to vehicles described in Definitions (b), (c), (e), (f) or (g)

PROVIDED THAT:

- (i) cover under this Extension will be limited to death of or bodily injury to any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of (b), (f) or (g) as defined and/or
- (ii) being carried in or upon or entering or getting onto or alighting from any vehicle insured in terms of this Section and described in Definition 2(b) and 2(e) but excluding non-motorized caravans and pick-a-back caravans as defined in Definition 2(e)

PROVIDED FURTHER THAT:

the vehicles referred to in terms of 2.(ii) above are fitted with railings on all sides of the loading area.

The limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

3. UNAUTHORISED PASSENGER LIABILITY

The indemnity under Sub-Section B, notwithstanding Exception (b) thereto, extends to cover the Insured's legal liability for death of or bodily injury to persons while being carried in or upon or entering or getting onto or alighting from any vehicle in contravention of the Insured's instructions to their driver not to carry passengers. The limit of indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

4. PARKING FACILITIES AND MOVEMENT OF THIRD PARTY VEHICLES

This Section extends to indemnify the Insured in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or borrowed by or hired or leased to the Insured) by any person in the employment of the Insured or acting on the Insured's behalf, provided always that such vehicle was being moved

- (a) with the authority of any tenant, customer or visitor of the Insured, or
- (b) in connection with the Insured's parking arrangements, or
- (c) to facilitate the carrying out of the Insured's business

and provided further that this Extension shall not apply in respect of damage to vehicles which are parked for reward.

For the purpose of this Extension, such vehicle (and its contents) shall not be deemed to be held in trust by, or in the custody or control of, the Insured.

5. RIOT AND STRIKE (If stated in the Schedule to be included)

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

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

Provided that this Extension does not cover:

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

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

#### 6. LOSS OF LOCKS AND KEYS

The Company will indemnify the Insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle, following upon loss of or damage to the lock or key or alarm controller of such vehicle or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller

PROVIDED THAT:

- (i) the Company's liability shall not exceed R5 000 (five thousand rand) in respect of any one event or the amount stated in the schedule whichever is the greater.
- (ii) the Company shall not be liable for the first R200 (two hundred rand) in respect of each and every claim.

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

#### 7. FIRE EXTINGUISHING CHARGES

Any costs (not exceeding R5 000 (five thousand rand)) relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided the Insured is legally liable for such costs and the insured property was in danger from the fire.

#### 8. WRECKAGE REMOVAL

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a Defined Event, provided that, in addition to the limit of indemnity under Sub-Section A of this Section, the limit of the Company's liability under this Extension shall not exceed, in respect of any one occurrence, the amount of R5 000 (five thousand rand) or the limit stated in the Schedule whichever is the greater.

#### 9. CREDIT SHORTFALL

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

- (a) any arrears installments 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 installments or rental that would have been paid had there been no residual capital value at the end of

the finance period, calculated to the month in which the claim is settled

- (d) the First Amount Payable under Sub-Section A

PROVIDED 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 installment other than the final residual amount after the initial payment differs by more than 10% (ten percent) from any other installment
- (iii) if such shortfall is as a result of a re-advance under an installment sale or refinancing in terms of a lease the insurance by this Extension shall be void.

**10. REPLACEMENT OF INSURED MOTOR VEHICLES (Private type motor cars and light delivery vehicles (LDV's) only)**

In the case of private type motor cars and light delivery vehicles (LDV's) the Company shall instead of a monetary payment and subject to the consent of the Insured and/or of any other interested party known to the Company replace the said motor vehicle with a new motor vehicle of the same type and model (subject to the availability thereof) if within 12 (twelve) months after the first registration of the vehicle and subject to it not having been driven for more than 30 000km (thirty thousand) kilometers;

- (a) the loss of the vehicle is as a result of theft and if the said vehicle cannot be traced within a reasonable period after the theft thereof has been reported to the Company  
or
- (b) damage to the extent that the cost of repairs exceeds 70% (seventy percent) of its list price plus taxes when new.

The basis of indemnity will be the current cost of a new motor car of the same or similar model subject to a limit of 120% (one hundred and twenty percent) of the Maximum Indemnity (less the First Amount Payable)

PROVIDED THAT:

- (i) in the event of a vehicle being replaced under the circumstances as described above, then the Company shall be entitled to the possession and ownership of the lost or damaged vehicle
- (ii) the amount payable shall be limited to the amount stated in the Schedule.

**11. REMOVAL AND PROTECTION COSTS FOLLOWING MECHANICAL BREAKDOWN (Applicable to private motor vehicles and light delivery vehicles only)**

The Company will pay the costs of removal and protection in the event of mechanical or electrical breakdown of the vehicle up to an amount of R2 000 (two thousand rand).

This cover is limited to one occurrence in any 12 (twelve) consecutive months of insurance.

**12. EMERGENCY ACCOMMODATION (Applicable to private motor vehicles and light delivery vehicles only)**

Accommodation for the Insured and/or spouse as well as any passenger whom is traveling 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 R750 (seven hundred and fifty rand) per person but not exceeding R3 000 (three thousand rand) per occurrence.

This cover applies for one night only away from the Insured's residence if the journey cannot be completed due to loss of or damage to the insured vehicle. The loss or damage must be covered under this Section.

This cover does not include emergency accommodation cover in the event of mechanical or electrical breakdown of the vehicle.



### 13. TRAUMA TREATMENT

In the event of medical expenses not otherwise covered the Company will pay an amount up to R5 000 (five thousand rand) per occurrence for trauma treatment by a psychologist if the Insured and/or spouse need treatment due to hijacking or attempt thereof of a comprehensively insured private motor vehicle or light delivery vehicle.

### 14. DAMAGE TO TYRES (Tractors, Combines and Agricultural Implements)

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

PROVIDED THAT

- (a) the liability of the Company is limited to a maximum of R15 000 (fifteen thousand rand) per tyre unless the value per tyre which exceeds R15 000 (fifteen thousand rand) is stated in the Schedule
- (b) the Insured shall be responsible for the first 10% (ten percent) with a minimum of R200 (two hundred rand) of each and every claim
- (c) the Insured shall at his own expense have all damage and wear and tear assessed by one or more reputable retreaders to assess whether a tyre can be repaired or not and what the extent of wear and tear is.

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

### 15. CARAVANS HIRED OUT (If stated in the Schedule to be included)

The word "hiring" appearing in the paragraph under the heading "Description of Use" of this Section is cancelled if a caravan insured by this Section is hired out.

Sub-paragraph 1(c) of the Specific Exceptions applicable to all Sub-Sections is substituted by the following:

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

Provided that any driver shall deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under Specific Exceptions applicable to All Sub-Sections 1(b) or if non-compliance with any licensing law is solely because of failure to renew any license subject to periodic renewal, or if a license is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners".

16. COMBINES, GRAIN TABLES AND PICKER HEADS

The Company shall indemnify the Insured in terms of Sub-Sections A and B in respect of grain tables and/or picker heads described in the Schedule whilst attached to the combine(s) mentioned in the Schedule or whilst detached therefrom provided that whilst detached from such combine(s) it is not attached to any other combine(s).

17. SPARE WHEEL AND TOOLS FIRST AMOUNT PAYABLE CANCELLED (If stated in the Schedule to be included)

In consideration of the payment of an additional premium the Insured shall not be liable for the "First Amount Payable" as stated in the Schedule as provided for in this Section in the event of loss of or damage to:

- (a) a spare wheel of a private type motor car (including station wagons, safari motor cars and minibuses)
- (b) tools being included as standard equipment by the manufacturer of a private type motor car (including station wagons, safari motor cars and minibuses)

PROVIDED THAT:

this Extension shall not be applicable in respect of loss or disappearance of the above-mentioned property from an unattended vehicle unless such property is kept in the locked up passenger compartment or the locked up luggage compartment and access to such passenger or luggage compartment is obtained by visible, violent and forcible means.

18. HIRING OF MOTOR VEHICLE (Private type motor cars and light delivery vehicles (LDV's) only) (If stated in the Schedule to be included)

In consideration of the payment of an additional premium the Company agrees that in the event of

- (a) theft of the comprehensively insured motor vehicle stated in the Schedule
- or
- (b) damage to the comprehensively insured motor vehicle stated in the Schedule for which indemnity is provided by Sub-Section A

to pay the car hire charges for the hire of a medium category motor car (that is not exceeding 2 000 cc engine capacity) on an unlimited distance basis but excluding the cost of fuel and lubricants

PROVIDED THAT:

- (a) the order for the hire of a motor vehicle must first be placed through and authorised by the Company
- (b) the period of hire
  - (i) must commence not later than 30 (thirty) days following the date of theft or if the motor vehicle is not stolen from the date of the damage
  - (ii) must terminate on the day following
    - (a) the recovery of the stolen motor vehicle undamaged
    - or
    - (b) by the repossession of the motor vehicle by the Insured after repairs approved by the Company have been effected
    - or
    - (c) the purchase of a replacement motor vehicle
  - (iii) will not exceed 30 (thirty) days

- (c) the Company shall not be liable for any loss of or damage to any private type motor car and/or light delivery vehicle (LDV) which in terms of this Extension is hired by the Insured after loss or damage
- (d) the Company shall be entitled to any recovery from third parties or their insurers in respect of loss of use of the insured private motor car or light delivery vehicle (LDV).

19. LIABILITY TO PASSENGERS (Applicable to buses only) (If stated in the Schedule to be included)

Subject to Specific Exception (a) of Sub-Section B and in consideration of the payment of an additional premium the reference to Definition (d) in Specific Exception (b) of Sub-Section B is cancelled and the Company will, notwithstanding anything contained herein to the contrary, indemnify the Insured in respect of liability to passengers

PROVIDED THAT:

- (a) the liability of the Company in respect of this Extension shall not exceed the amount stated in the Schedule in respect of any one passenger and in respect of any one claim or series of claims arising out of one event
- (b) the cover provided by this Extension shall not apply to any person carried upon a trailer.

20. LOSS OF USE OF VEHICLE (Tractors and/or Combines) (If stated in the Schedule to be included)

In consideration of the payment of an additional premium the Company shall indemnify the Insured for the hire of a tractor and/or combine (with driver if necessary) upon proof of an account by the supplier or lesser, but not exceeding the number of days or the amount stated in the Schedule, resulting from the loss of use of a tractor and/or combine stated in the Schedule through or as a result of any peril insured against in this Section which would normally constitute a claim under this Section.

It is a condition precedent to the acceptance of liability that in the event of an occurrence which results in a claim under this Section the Company will be given 30 (thirty) days written notice calculated from the date of the accident.

The Company is entitled to any recovery from third parties or their insurers in respect of loss of use of the insured tractor and/or combine

PROVIDED THAT:

the Company will not be liable for:

- (a) loss or damage resulting from freezing or mechanical breakdown
- (b) indemnity for loss of use for the first 72 (seventy two) hours immediately after the occurrence
- (c) the supply of a tractor and/or combine
- (d) any loss of or damage to any tractor and/or combine which in terms of this Extension is hired by the Insured after loss or damage.

21. LOSS OF USE OF VEHICLE (Trucks and/or Mechanical Horses) (If stated in the Schedule to be included)

In consideration of the payment of an additional premium the Company shall indemnify the Insured for the hire of a truck and/or mechanical horse similar to the truck and/or mechanical horse insured upon proof of an account by the supplier or lesser, but not exceeding 30 (thirty) days or the amount (maximum R500 (five hundred rand) per day) stated in the Schedule, resulting from the loss of use of a truck and/or mechanical horse stated in the Schedule through or as a result of any peril insured against in this Section which would normally constitute a claim under this Section.

It is a condition precedent to the acceptance of liability that:

- (a) in the event of an occurrence which results in a claim under this Section the Company will be given 30 (thirty) days written notice calculated from the date of the accident

- (b) in the event of theft of the insured vehicle cover for loss of use will come into effect only if the vehicle is recovered, and then only for the time necessary for repairs
- (c) rental will not be payable for any period exceeding 30 (thirty) days.

The Company is entitled to any recovery from third parties or their insurers in respect of loss of use of the insured truck and/or mechanical horse

PROVIDED THAT:

the Company will not be liable for:

- (a) loss or damage resulting from freezing or mechanical breakdown
- (b) indemnity for loss of use for the first 5 (five) days from the date on which a written quotation for the rental of the truck and/or mechanical horse is received by the Company
- (c) the supply of a truck and/or mechanical horse
- (d) any loss of or damage to any truck and/or mechanical horse which in terms of this Extension is hired by the Insured after loss or damage
- (e) the first 25% (twenty five percent) of the actual rental payable up to a maximum of R500 (five hundred rand) per day.

**22. PASSENGER LIABILITY – EMPLOYEES (If stated in the Schedule to be included)**

The Company shall indemnify the Insured in respect of Sub-Section B for the death of or bodily injury to an employee being carried in or upon or entering or getting onto or alighting from any vehicle insured in terms of this Section and described in Definition of Vehicles 2.(b) and 2.(e) but excluding non-motorized caravans and pick-a-back caravans as defined in Definition 2.(e)

PROVIDED THAT:

- (a) the occurrence took place outside the context of employment
- (b) all sides of the loading area of the vehicle are fitted with railings
- (c) the liability of the Company shall be limited to the amount sated in the Schedule in respect of any one occurrence.

**23. FUNERAL BENEFIT**

In the event of an accident in respect of private type motorcars (as defined) and in the passenger carrying compartment of light delivery vehicles (LDV's) with a carrying capacity not exceeding 2 000 kg resulting in the Insured's and/or the Insured's spouses' death within 3 (three) months the Company will pay to the Insured's estate R5 000 (five thousand rand) as a contribution to funeral expenses.

**24. VEHICLE SHARING**

The acceptance of payment for giving lifts to passengers in private type motorcars (as defined) and in the passenger carrying compartment of light delivery vehicles (LDV's) with a carrying capacity not exceeding 2 000 kg when it is part of a vehicle sharing agreement for social purposes or commuting, will not be regarded as excluded under the description of use conditions

PROVIDED THAT:

- (a) the passengers are not being carried in the course of a passenger-carrying business
- (b) the total payments received for such journeys do not involve any element of profit.

25. **WAIVER OF BASIC COMPULSORY FIRST AMOUNT PAYABLE (PRIVATE TYPE MOTOR CARS AND LIGHT DELIVERY VEHICLES (LDV'S) ONLY) (If stated in the Schedule to be included)**

In consideration of the payment of an additional premium the basic compulsory First Amount Payable, (inclusive of window glass as defined), as stated in terms of points 1(a), 7(a), 7(b)(i) and 7 (b) (ii) (a) and (b) of the Schedule applicable to Sub Section A - Loss or Damage is hereby cancelled

PROVIDED THAT:

- (i) this Extension applies to the Insured and his/her spouse only
- (ii) this Extension is only applicable to motor vehicles as defined in terms of 2.(a) Private Type Motor Vehicles and Light Delivery Vehicles (LDV's) or Panel Vans with a carrying capacity not exceeding 2 000kg as defined in 2.(b) under the heading Definitions of this Section.

26. **PASSENGER LIABILITY – CLIENTS IN RESPECT OF SIGHTSEEING DRIVES OR ORGANISED TOURS RELATING TO ANY WINEMAKING PROCESSES, WINE TASTING AND/OR ANY ACTIVITIES OF A SIMILAR NATURE OR COMMERCIAL HUNTING AND/OR GAME VIEWING ACTIVITIES (If stated in the Schedule to be included)**

Subject to Specific Exception (a) of Sub-Section B and in consideration of the payment of an additional premium, reference to Definitions (b), (c), (e), (f) and (g) in Specific Exception (b) of Sub-Section B is cancelled and the Company will, notwithstanding anything contained herein to the contrary, indemnify the Insured in respect of liability to passengers

PROVIDED THAT:

- (i) the liability of the Company in respect of this Extension shall not exceed the amount stated in the Schedule in respect of any one passenger and in respect of any one claim or series of claims arising out of one event being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of 2.(b) as defined  
  
and/or
- (ii) being carried in or upon or entering or getting onto or alighting from any vehicle insured in terms of this Section and described in Definition of Vehicles 2.(b) and 2.(e). The latter only in respect of trailers

PROVIDED FURTHER THAT:

- (a) Any vehicle referred to in 26.(ii) above (excluding vehicles specifically adapted or designed for the purpose of sightseeing drives or organised tours relating to any winemaking processes, wine tasting and/or any activities of a similar nature or accommodating commercial hunters and/or game viewing activities as defined in Definition 2.(b)) are fitted with railings on all sides of the loading area.
- (b) The liability of the Company shall be limited to a maximum amount as stated in the Schedule any one occurrence.

27. **VEHICLE TRACKING DEVICE**

The Company will indemnify the Insured in terms of the tracking device fitted to the vehicle at the time the vehicle is lost as a result of theft or hijacking or any attempt thereto or damaged beyond repair

PROVIDED THAT:

- (a) the liability of the Company in respect of the tracking device shall not exceed the actual cost or R2 000 (two thousand rand), whichever is the lesser
- (b) the Vehicle Tracking Company must be approved by the Company

MEMORANDA

1. PREMIUM ADJUSTMENT

(a) Non-specified vehicles

If this Section is issued on a non-specified vehicle basis, the Insured shall submit to the Company at the end of each period of insurance a declaration of the total number of vehicles owned, hired or leased at such expiry date. The Company shall, upon receipt of this declaration, make a premium adjustment of 50% (fifty percent) of the annual rate per vehicle applied to the difference in the number of vehicles at inception or renewal and the number declared.

(b) Specified vehicles

If a private type motorcar or light delivery vehicle (LDV) or panel van with a carrying capacity under 2 000 kg insured hereunder is disposed of and another motor vehicle substituted in place thereof during the currency of this Section no adjustment of premium shall be made

PROVIDED THAT:

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

2. WAR

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

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

3. DESCRIPTION OF USE

CLASS 0

Motor vehicles used by farmers exclusively for

- (a) farming purposes and/or
- (b) social, domestic and pleasure purposes and/or
- (c) organised territorial watch groups for crime prevention.

CLASS 1

- (i) Private type motor vehicles, light delivery vehicles (LDV's), caravans, motorcycles, four wheel motorcycles and two wheel luggage trailers used by farmers, commercial wine cellars and/ or wine estates
  - (a) engaged in other occupations for social, domestic and pleasure purposes and/or
  - (b) traveling to and from the Insured's work and used in connection with the Insured's business or occupation as stated in the Schedule and/or
  - (c) engaged in sightseeing drives or organised tours relating to any winemaking processes, wine tasting and/or any activities of a similar nature or commercial hunting and/or game viewing activities and/or
  - (d) organised territorial watch groups for crime prevention.
- (ii) Private type motor vehicles, light delivery vehicles (LDV's), caravans, motorcycles, four wheel motorcycles and two wheel luggage trailers used by individuals resident upon a farm engaged in other professions for social, domestic and pleasure purposes and/or traveling to and from the Insured's work.

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

Excluding:

hiring, carriage of passengers for hire or carriage of fare paying passengers (excluding sightseeing drives or organised tours relating to any winemaking processes, wine tasting and/or any activities of a similar nature or hunting and game viewing activities), racing, speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade.

#### 4. OFFENCES

If, during the currency of this Section, any driver's license in favour of the Insured or his/her authorised driver be endorsed, suspended or cancelled or if he/she or they shall be charged or convicted of negligent, reckless or improper driving or driving under the influence of drugs, narcotics, anesthetics or intoxicating liquor or contravention of the statutory percentage limit for blood alcohol, notification shall be sent in writing to the Company immediately the Insured has knowledge of such fact.

#### 5. MAINTENANCE OF MOTOR VEHICLE

The Insured or anyone acting on behalf of the Insured and/or any person driving the vehicle with the knowledge and consent of the Insured or anyone acting on behalf of the Insured shall take all reasonable steps to safeguard any motor vehicle described in the Schedule from loss or damage and to maintain it in an efficient condition

PROVIDED THAT

the Company shall at all times have free access to examine such motor vehicle. In the event of any accident or breakdown such motor vehicle shall not be left unattended without proper precaution being taken to prevent further damage or loss and if such motor vehicle be driven before the necessary repairs are effected any increase of the damage or further damage to such motor vehicle shall be entirely at the Insured's own risk.

#### 6. WAIVER OF SUBROGATION RIGHTS

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

#### 7. PRINCIPALS

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

#### 8. CROSS LIABILITIES

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

## OPTIONAL LIMITATIONS

1. THIRD PARTY ONLY (If stated in the Schedule to be applicable)

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

2. THIRD PARTY AND FIRE INSURANCE ONLY (If stated in the Schedule to be applicable)

The liability of the Company under Sub-Section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion. Further, Sub-Section C and the No Claim Rebate provisions are cancelled.

3. THIRD PARTY, FIRE AND THEFT ONLY (If stated in the Schedule to be applicable)

The liability of the Company under Sub-Section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat. Further, Sub-Section C and the No Claim Rebate provisions are cancelled.

## SPECIFIC EXCEPTIONS APPLICABLE TO ALL SUB-SECTIONS

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

- (a) whilst the vehicle is being used with the general knowledge and consent of the Insured otherwise than in accordance with the "Description of Use" clause
- (b) incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique. The Company will also indemnify the Insured against loss of or damage to any vehicle while in transit by sea, air or between ports or places in these territories including loading and unloading incidental to such transit
- (c) incurred while any vehicle is being driven by:
  - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
  - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles.

Provided that any driver shall be deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under Specific Exception 1(b), or if non-compliance with any licensing law is solely because of failure to renew any license subject to periodic renewal, or if a license is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners

PROVIDED FURTHER THAT:

notwithstanding anything to the contrary contained in Specific Exception 1(c)(ii) above including the proviso applicable thereto, the driver of any vehicle utilized for any sight-seeing drives or organised tours relating to any winemaking processes, wine tasting and/or any activities of a similar nature or hunting and/or game viewing activities must at all times be fully licensed to drive or control such vehicle.



2. The Company shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.
3. The Company shall not be liable for any accident, injury, loss, damage or liability in respect of a caravan whilst being used as a permanent residence.

#### Specific Condition

If, during the currency of this Section, any driver's license in favour of the Insured or his/her/their authorised driver is endorsed, suspended or cancelled, or if he/she or they shall be charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Company immediately the Insured has knowledge of such fact.

## FIRE

### DEFINED EVENTS

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

1. Fire
2. Lightning or thunderbolt
3. Explosion

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

### PROVIDED THAT:

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

## EXTENSIONS

(NOT APPLICABLE TO PADDOCK AND BOUNDARY FENCING AND GAME AND/OR OSTRICHES AND STACKS AND/OR GRAPEVINES IN THE OPEN)

### A. SPECIAL PERILS

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

1. storm, wind, water, hail or snow excluding loss of or damage to property:
  - (a) arising from its undergoing any process necessarily involving the use or application of water
  - (b) caused by 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 structures not completely roofed
  - (f) being retaining walls
2. aircraft, other aerial devices or articles dropped therefrom
3. impact by animals, trees (excluding falling trees whilst contractors are engaged in the felling thereof), aerials, satellite dishes or vehicles excluding destruction of or damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

unless so described and specifically insured as a separate item

### THIS EXTENSION A DOES NOT COVER THE FOLLOWING:

- (a) plastic- and/or all other tunnels, trellises, hail and shade nets, raisins and drying mats and/or drying installations and/or sulphur pens in the open
- (b) wear and tear or gradual deterioration
- (c) destruction or damage caused or aggravated by:

unless so described and specifically insured as a separate item subject to the special provisos applicable thereto

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

**B. EARTHQUAKE**

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

**C. SPONTANEOUS COMBUSTION**

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

**D. MALICIOUS DAMAGE**

This Section is extended to cover loss or damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such loss or damage other than loss of or damage to

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

the said immovable property or any part thereof with the intention of stealing any part thereof

Provided that this Extension does not cover

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

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

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

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

**E. DAMAGE TO WATER TANKS, WATER APPARATUS OR WATER PIPES**

This Section is extended to cover loss of or damage to water tanks, water apparatus or water pipes the property of the Insured installed in the buildings described in the Schedule.

|                            |
|----------------------------|
| <b>SPECIFIC EXCEPTIONS</b> |
|----------------------------|

This Section does not cover:

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

unless otherwise expressly stated in the Schedule of this Section.

|  |
|--|
| <b>SPECIAL PROVISIONS WITH REFERENCE TO CRUDE FODDER, HAY, STRAW, CHAFF AND<br/>SIMILAR CROPS IN BUILDINGS AS WELL AS TOBACCO IN AIR CURING BARNES</b> |
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In the event of loss of the insured property by fire or lightning as defined in this Section, the Company shall not be liable to pay more than 75% (seventy five percent), or should any other insurance exist, the ratable proportion of 75% (seventy five percent) of the market value of the property or the sum insured whichever shall be the lesser immediately prior to the fire

PROVIDED THAT:

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

SPECIAL PROVISIONS WITH REFERENCE TO GAME AND/OR OTRICHES

1. DEATH OR DESTRUCTION BY LIGHTNING ONLY OR BY FIRE AND LIGHTNING ONLY

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

PROVIDED THAT:

The Company shall not be liable for:

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

PROVIDED THAT:

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

- (d) consequential loss of any nature whatsoever.

2. CONDITION OF ANIMALS

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

3. DEATH OF GAME AND/OR OSTRICHES

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

PROVIDED THAT:

in the event of claims from the death of game or ostriches caused by lightning:

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

4. **FIRST AMOUNT PAYABLE IN RESPECT OF LOSS BY DIRECT LIGHTNING**

In the event of the game and/or ostriches insured by this Section being destroyed as a result of direct lightning the Insured shall be responsible for the first 10% (ten percent) of each and every loss with a minimum of R500 (five hundred rand) in the case of large game and/or ostriches and R250 (two hundred and fifty rand) in the case of small game.

5. **ALL SPECIES**

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

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|--|
| <b>SPECIAL PROVISIONS WITH REFERENCE TO REINSTATEMENT COST –<br/>GRAPEVINES AND TRELISES</b> |
|--|

1. **TRELISES AS DEFINED**

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 Company shall not be liable to pay more than the percentage in terms of the age of the trellises stated hereunder in terms of reinstatement of the insured property immediately prior to the loss or damage

PROVIDED THAT:

(a) **DEPRECIATION**

| Age of trellises                             | Extent of Cover |
|--|-----------------|
| 0 to 36 months                               | 100%            |
| more than 36 months not exceeding 60 months  | 80%             |
| more than 60 months not exceeding 84 months  | 60%             |
| more than 84 months not exceeding 108 months | 40%             |
| more than 108 months                         | 0%              |

(b) **WEAR AND TEAR**

The words "normal wear and tear and corrosion" as contained in Specific Exception 1 of this Section are not applicable to the trellises hereby insured.

(c) **FIRST AMOUNT PAYABLE**

Cover in terms of this item of the Section is subject to a First Amount Payable of 10% (ten percent) of each and every loss with a minimum of R1 000 (one thousand rand) and a maximum of R25 000 (twenty five thousand rand)

PROVIDED FURTHER THAT:

the First Amount Payable in terms of Proviso (c) shall be payable notwithstanding the decrease in cover applicable to the trellises stated in Proviso (a) above.

(d) **REPLACEMENT VALUE**

Notwithstanding the age of the trellises 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 Specific Condition 17 of this Section.

(e) **DEFINITION**

Trellises in terms of this Special Provision shall include:

- (i) trellises including anchorage and relevant wiring,
- (ii) above ground irrigation pipes and irrigation sprinklers,
- (iii) removal of debris and clean-up costs
- (iv) associated labor and transport cost.

2. **GRAPEVINES AS DEFINED**

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

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

as defined under the heading Defined Events of this Section, the Company shall pay to the Insured the cost of reinstatement of the property

PROVIDED THAT:

(a) **REINSTATEMENT COST**

Cover in terms of this item will be limited to reinstatement cost only as defined under the heading "Definition" below.

(b) **DEFINITION**

Grapevines in terms of this Special Provision shall include:

- (i) purchase of the specific grapevine(s) (cultivar(s)),
- (ii) labor, transport and related costs relevant to the reinstatement of such grapevines
- (iii) removal of debris and clean-up costs
- (iv) cost of fungicides, fertilizer and insecticides including the application thereof.

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|--|
| <b>SPECIAL PROVISIONS WITH REFERENCE TO HAIL AND SHADE NETS<br/>(Structures and Covers only)</b> |
|--|

**HAIL AND SHADE NETS AS DEFINED**

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 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                               | Extend 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) WEAR AND TEAR

The words "normal wear and tear and corrosion" as contained in Specific Exception 1 of this Section are not applicable to the nets only, insured in terms of this item.

(c) FIRST AMOUNT PAYABLE

Cover in terms of this item of the Section is subject to a First Amount Payable of 10% (ten percent) of each and every loss with a minimum of R1 000 (one thousand rand) and a maximum of R25 000 (twenty five thousand rand)

PROVIDED THAT:

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

(d) 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 Specific Condition 17 of this Section.

(e) 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.

(f) 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.



**SPECIAL PROVISIONS WITH REFERENCE TO RAISINS AND DRYING MATS IN THE OPEN**

**1. RAISINS IN THE OPEN**

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

1. Fire
2. Lighting or thunderbolt
3. Explosion

as defined under the heading Defined Events including wind as defined in Extension A.1. of this Section and direct water damage accompanied by water erosion, overflowing and/or flood only as contained in terms of Extension A.1. of this Section, the Company shall not be liable to pay more than 75% (seventy five percent), or should any other insurance exist, the ratable proportion of 75% (seventy five percent) of the market value of the insured property or the sum insured nominated by the Insured in accordance with the Basis of Valuation contained in this Special Proviso applicable to raisins in the open, whichever shall be the lesser immediately prior to the event

PROVIDED THAT:

- (a) the Insured shall be considered as being his own insures for 25% (twenty five percent) of the nominated sum insured and shall therefore bear at least 25% (twenty five percent) of any loss;
- (b) the liability of the Company in respect of raisins in the open on drying installations and/or in sulphur pens and/or in the open on drying slabs shall not, in the aggregate, exceed R2 000 000 (two million rand) any one risk location unless otherwise agreed by the Company and stated in the Schedule;
- (c) cover in respect of raisins on stacked drying installations shall at all times be subject thereto that such installations be properly and firmly anchored to the ground with ropes and/or wire cables;
- (d) cover in respect of raisins on drying slabs shall at all times be subject to all reasonable precautions being taken to protect raisins against loss or damage following upon direct water damage accompanied by water erosion, overflowing and/or flood

PROVIDED FURTHER THAT:

- (i) placement and acceptance of new business in terms of this item shall be subject to a time exclusion of 72 (seventy two) hours prior to commencement of such cover
- (ii) the following causes resulting in loss or damage are specifically excluded in term of this Special Proviso:
  - (a) rot or decay of raisins as a result of excessive moisture and/or dampness
  - (b) down grading of quality as a result of the effect of abnormal weather conditions.

**VALUATION**

The basis of valuation in terms of raisins shall be applied as follows:

|                             |  |
|-----------------------------|--|
| <b>A. Sulphurated Grape</b> |  |
| Choice Grade                | Per kilogram as nominated by the Insured |
| Standard Grade              | Per kilogram as nominated by the Insured |
| Industrial Grade            | Per kilogram as nominated by the Insured |
| <b>B. Sun Dried Grape</b>   |  |
| Choice Grade                | Per kilogram as nominated by the Insured |
| Standard Grade              | Per kilogram as nominated by the Insured |
| Industrial Grade            | Per kilogram as nominated by the Insured |

|   |  |
|---|--|
| C. Alkaline Grape (washed in alkaline solution) |  |
| Choice Grade                                    | Per kilogram as nominated by the Insured |
| Standard Grade                                  | Per kilogram as nominated by the Insured |
| Industrial Grade                                | Per kilogram as nominated by the Insured |

**FIRST AMOUNT PAYABLE**

The Insured shall be liable for the First Amount Payable of 10% (ten percent) of each and every claim with a minimum of R1 000 (one thousand rand) in respect of damage caused by wind only whilst in the open on drying installations

**PROVIDED THAT:**

the said First Amount Payable shall be payable notwithstanding the conditions contained in terms of Provision 1 (a) above.

**2. DRYING MATS AND/OR DRYING INSTALLATIONS AND/OR SULPHUR PENS IN THE OPEN**

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

**PROVIDED THAT:**

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

**PROVIDED FURTHER THAT:**

- (a) cover in respect of stacked drying installations shall at all times be subject thereto that such installations be properly and firmly anchored to the ground with ropes and/or wire cables
- (b) damage to property in terms of this item resulting from rot or decay of raisins consequent upon excessive moisture and/or dampness are specifically excluded.

**SPECIAL PROVISIONS WITH REFERENCE TO PLASTIC TUNNELS  
(STRUCTURE AND COVERS ONLY)**

**PLASTIC TUNNELS AS DEFINED (Structure and Covers only)**

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 Company shall not be liable to pay more than the value of the property applicable to the structures and/or 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                               | Extend 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) WEAR AND TEAR

The words "normal wear and tear and corrosion" as contained in Specific Exception 1 of this Section are not applicable to the plastic covers only, insured in terms of this item.

(c) FIRST AMOUNT PAYABLE

Cover in terms of this item of the Section is subject to a First Amount Payable of 10% (ten percent) of each and every loss with a minimum of R1 000 (one thousand rand) and a maximum of R25 000 (twenty five thousand rand)

PROVIDED THAT:

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

(d) 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 Specific Condition 17 of this Section.

(e) 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 micron
- (iii) removal of debris and clean-up costs
- (iv) associated labor and transport cost.

(f) 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.

(g) 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.

|   |
|---|
| <b>SPECIAL PROVISIONS WITH REFERENCE TO CRUDE FODDER, HAY, STRAW, CHAFF AND SIMILAR CROPS IN STACKS IN THE OPEN</b> |
|---|

### CRUDE FODDER IN THE OPEN

In the event of loss or damage to property insured during the period of insurance and at the locations described in the Schedule

1. Fire
2. Lightning or thunderbolt
3. Explosion

As described in this Section, the Company's liability shall be limited to 75% (seventy five per cent) of the market value immediately prior to the loss or damage or the sum insured, whichever is the lesser, in respect of property insured

#### PROVIDED THAT:

- (a) the Insured shall be considered his own insurer for 25% (twenty five per cent) of the nominated value of the property insured to the sum insured, whichever is the lesser, and shall bear 25% (twenty five per cent) of any loss in respect of the above;
- (b) the Company's liability with regards to crude fodder in the open in a stack/pile or in a group of stacks/piles constituting one fire risk not exceeding R250 000 (two hundred and fifty thousand rand) in value;
- (c) one or more stacks/piles or groups of stacks/piles collectively not exceeding R250 000 (two hundred and fifty thousand rand) in value and situated at least 100 (one hundred) metres from each other shall be deemed to constitute one fire risk.

## MEMORANDUM

In respect of the insurance by this Section, it is a condition precedent to liability of the Company that all flammable materials and vegetations within an area of at least 5 (five) metres around every stack/pile or in a group of stacks/piles constituting one fire risk be a Special Condition of the policy.

### STACKS GUARANTEE

Regarding "Ouland" grass (*Eragrostis*) and/or field grass cover shall only be applicable on baled grass harvested during the current season.

Subject otherwise to the terms, conditions and exclusions of this section and policy.

|                            |
|----------------------------|
| <b>SPECIFIC CONDITIONS</b> |
|----------------------------|

#### 1. RENT

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

- (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: actual rental value of the said premises.

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

## 2. ALTERATIONS AND MISDESCRIPTION

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

## 3. REBUILDING COSTS

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

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

PROVIDED THAT:

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

## 4. BREACH OF CONDITIONS

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

## 5. CAPITAL ADDITIONS

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

## 6. DESIGNATION OF PROPERTY

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

## 7. DISPOSAL OF SALVAGE

Without diminishing the rights of the Company to rely on the provisions of General Condition 9 (a)(i) of this Policy, in the event of loss, the Company agrees that it will not sell or otherwise dispose of any property which is the subject of a claim hereunder without the consent of the Insured

PROVIDED THAT:

the Insured can establish to the satisfaction of the Company that to do so will prejudice their interests in which event the Company agrees to give the Insured first option to repurchase such property at its fair intrinsic value or market value whichever is the greater.

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

8. MORTGAGEE

The interest of any mortgagee in the insurance under Column 1 of the Schedule of this Section shall not be prejudiced by any act or omission on the part of the mortgagor without the mortgagee's knowledge. The mortgagee shall, however, inform the Company as soon as any such act or omission comes to his/her knowledge and shall be responsible for any additional premium payable from the date any increased hazard shall, in terms of this Condition be assumed by the Company.

9. FIRE EXTINGUISHING CHARGES

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

10. ALL OTHER CONTENTS

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

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

11. PUBLIC AUTHORITIES REQUIREMENTS (applicable to buildings only)

The insurance under this Section shall include such additional cost of repairing or rebuilding the damaged insured property as may be incurred solely by reason of the necessity to comply with building or other regulations under, or framed in pursuance of, any act of parliament or ordinance of any provincial, municipal or other local authority

PROVIDED THAT:

- 1. the amount recoverable under this Condition shall not include:
  - (a) the cost incurred in complying with any of the aforesaid regulations
    - (i) in respect of damage occurring prior to granting of this Condition
    - (ii) in respect of damage not insured by this Section
    - (iii) under which notice has been served upon the Insured prior to the happening of the damage
    - (iv) in respect of undamaged insured property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance of that portion damaged)

- (b) the additional cost that would have been required to make good the property damaged to a condition equal to its condition when new, had the necessity to comply with any of the aforesaid regulations not arisen
  - (c) the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the insured property or by the owner thereof by reason of compliance with any of the aforesaid regulations;
2. the work of repairing or rebuilding must be commenced and carried out with reasonable dispatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this Condition not being thereby increased;
  3. if the liability of the Company under any item of this Section apart from this Condition shall be reduced by the application of any of the terms, exceptions and conditions of this Section, then the liability of the Company under this Condition in respect of any such item shall be reduced in like proportion;
  4. the total amount recoverable under any item of this Section shall not exceed the sum insured thereby.

**12. RAILWAY AND OTHER SUBROGATION CLAUSE**

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

**13. TEMPORARY REMOVAL**

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

PROVIDED THAT:

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

**14. TENANT'S**

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

**15. VEHICLE LOAD**

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

**16. WORKMEN**

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

#### 17. REINSTATEMENT VALUE

In the event of the property (other than stock, game and/or ostriches and motor vehicles as defined in the Motor Section of this Policy) being damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new

PROVIDED THAT:

- (a) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch, and in any case must be completed within 12 (twelve) months after the destruction or damage or within such further time as the Company may (during the said 12 (twelve) months) in writing allow, otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;
- (b) until expenditure has been incurred by the Insured in replacing or reinstating the property, the Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
- (c) if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a Defined Event, then the Insured shall be considered as being their own insurer for the excess and shall bear a ratable share of the loss accordingly. Each item of this Section if more than one to which these conditions apply shall be separately subject to this provision;
- (d) these conditions shall be without force or effect if:
  - (i) the Insured fail to intimate to the Company within 6 (six) months of the date of damage or such further time as the Company may in writing allow, their intention to replace or reinstate the property;
  - (ii) the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

#### 18. ALTERNATIVE REPLACEMENT CONDITIONS (DESIGN AND CAPACITY)

In the event of property insured which has a measurable function, capacity or output being damaged by a Defined Event 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:

- (i) Proviso (a), (b), (c) and (d) of the Reinstatement Value Conditions as stated in 17 above apply equally to this condition
- (ii) in applying the provisions of Proviso (c) of the reinstatement value conditions, the cost (as provided for in Proviso (c) "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 the alternative replacement cost 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.

#### 19. COMPUTER SYSTEMS RECORDS

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



20. SECURITY COSTS

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

21. UNDERINSURANCE

(a) NOT APPLICABLE TO WINDMILLS, GAME AND OSTRICHES

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

(b) APPLICABLE TO WINDMILLS, GAME AND OSTRICHES

If at the time of any loss of the game and/or ostriches and windmills as insured under this Section against the Perils as defined herein it is found that the number of the specific kind of game and/or ostriches and windmills is higher than the number insured then the Insured shall be considered as being his own insurer for the difference and shall bear a ratable share of the loss accordingly. Every item, if more than one, shall be separately subject to this Specific Condition.

22. PUMPS AND ELECTRIC MOTORS

The Insured shall be liable for the first 10% (ten percent) of each and every claim or R500 (five hundred rand) whichever is the greater in respect of damage to pumps, electric or electronic motors and electrical switchgear thereof directly or indirectly caused by lightning.

23. STORAGE OF CRUDE FODDER

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

24. IRRIGATION PIPES AND PUMPING EQUIPMENT BELOW THE NORMAL FLOOD LEVELS

This Section does not cover loss of or damage to irrigation pipes and pumping equipment which are situated below the normal flood levels of rivers or streams directly caused by any peril as described under Extension A – Special Perils.

25. HAMMERMILLS

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

26. PROPERTY IN THE OPEN – FIRST AMOUNT PAYABLE

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

27. TELEVISION RELAY STATIONS AND RADIO MASTS

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

## 28. LIGHTNING CONDUCTORS

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

## 29. BUILDER'S RISK

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

### "A. SPECIAL PERILS

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

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

This Extension A does not cover loss of or damage:

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

30. Paddock and Boundary Fences (Cover Restricted to Fire and Lightning Only)

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

- (i) the Company's liability in respect of boundary fences only is limited to 50% (fifty percent) of the total reinstatement value thereof and the terms as contained in Specific Condition 21(a) "Underinsurance" of this Section shall apply accordingly
- (ii) all paddock and boundary fencing of the Insured must be insured
- (iii) the Company shall not be liable for loss of or damage to paddock and boundary fences if it is found that such fencing was not in an insurable condition at the commencement of cover

PROVIDED THAT:

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

31. 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.

32. SUBSIDENCE AND LANDSLIP – LIMITED COVER (Applicable to offices and office blocks only)

Notwithstanding anything to the contrary contained in Extension A. (c) (ii) this Section is extended to cover:

Damage caused by Subsidence and Landslip

PROVIDED THAT:

the property stated in the Schedule to which this Extension applies shall not exceed three stories in height.

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

PROVIDED THAT:

this Extension does not cover:

- (a) damage to drains, watercourses, boundary walls, garden walls, retaining walls, gates, posts, pillars or fences, driveways, paving, swimming pool surroundings or tennis courts
- (b) damage caused by or attributable to
  - (i) shrinkage or expansion of soil due to the moisture or water content of such soil as experienced in clay and other similar kind or types of soil;
  - (ii) damage which exist prior to inception of this Extension;
  - (iii) faulty design or construction, insufficient compacting or filling or the removal or weakening of support to any building(s) stated in the Schedule;
  - (iv) workmen engaged in making any structural alterations, additions, or repairs to any buildings situated at the Insured premises;
  - (v) excavation on or under land other than excavations in the course of mining operations
- (c) consequential loss or consequential damage, of any kind whatsoever except loss of Rent when specifically insured under this Section.

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

### 33. SOLAR PANELS

The Insured shall be liable for the first 10% (ten percent) with a minimum of R2 500 (two thousand five hundred rand) for any loss or damage to Solar Panels and all related equipment in respect of each and every claim.

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| ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE |
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#### 1. SUBSIDENCE AND LANDSLIP

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

Loss or damage caused by Subsidence and Landslip

PROVIDED THAT:

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

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

PROVIDED THAT:

this Extension does not cover:

- (1) damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
- (2) damage caused by or attributed to by
  - (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 excavation in the course of mining operations
- (3) consequential loss of any kind whatsoever except loss of rent when specifically insured under this Section.

#### SPECIAL CONDITION

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

#### 2. LEAKAGE

In consideration of the payment of an additional premium the insurance by this Section is extended to include the following:

damage caused by discharge or leakage from any sprinkler, drencher system or fire extinguishing installations/appliances.

If a first loss limit is shown against this additional peril in the Schedule, the amount of such limit shall be the maximum liability of the Company in respect of any one event and, for the purposes of this Extension only, the following underinsurance condition shall be substituted for the condition herein before expressed:

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

### 3. RIOT AND STRIKE

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

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

Provided that this Extension does not cover:

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

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

### 4. STOCK DECLARATION CONDITIONS

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

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

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

5. ESCALATOR CLAUSE (EXCLUDING STOCK)

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

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

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

6. TEMPERATURE ALL RISK CLAUSE

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

Deterioration of stock in trade contained in any refrigeration unit whilst in any building situated at the Insured premises due to the change in temperature resulting from:

- (i) accidental, unforeseen and sudden physical damage to the refrigeration machinery;
- (ii) failure of electricity supply (gas and paraffin included) unless due to a deliberate act of any supply authority or shortage of fuel or water or drought at any power station;
- (iii) contamination by refrigeration fumes arising as a direct result of unforeseen and sudden physical damage to the refrigeration machinery

PROVIDED THAT:

- (a) the liability of the Company in terms of this Endorsement shall not exceed R50 000 (fifty thousand rand) or the amount stated in the Schedule whichever is the lesser
- (b) the Insured shall be responsible for the First Amount Payable of 10% of the claim subject to a minimum of R500 (five hundred rand) of each and every claim.

Cover hereby provided operates only whilst the refrigerating unit is the subject of manufacturers guarantee or warranty (if applicable) or a maintenance contract of which proof must be submitted to the Company on request

PROVIDED ALWAYS THAT:

this endorsement does not provide cover in respect of deterioration of stock in trade in consequences of:

- (a) wear and tear or gradual deterioration of the refrigeration machinery;
- (b) failure of recording devices of the temperature monitoring controls;
- (c) expendable and exchangeable components of the refrigeration machinery.

## BUILDINGS COMBINED

### DEFINED EVENTS

The Company will indemnify the Insured in respect of:

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

### SUB-SECTION A: LOSS OR DAMAGE CAUSED BY ANY OF THE UNDERMENTIONED PERILS, TO THE BUILDINGS STATED IN THE SCHEDULE

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

### SUB-SECTION B: DAMAGE TO PUBLIC SUPPLY MAIN CONNECTIONS

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

### SUB-SECTION C: LOSS OF RENT

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

### SUB-SECTION D: LEGAL LIABILITY

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

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

occurring during the period of insurance in, on or about the property insured and arising from the Insured's ownership thereof

PROVIDED THAT:

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

### SPECIFIC EXCEPTIONS (APPLICABLE TO SUB-SECTION D – LEGAL LIABILITY)

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

1. injury or damage sustained by
  - (a) any member of the same household as the Insured;
  - (b) any person employed by the Insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the Insured;
  - (c) any other person resulting from the ownership of or use by or on behalf of the Insured of mechanically propelled vehicles (except pedal cycles and lawnmowers)
2. damage to property
  - (a) (i) belonging to the Insured;
  - (ii) in the custody or control of the Insured or any employee of the Insured;
  - (b) caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure
3. liability assumed by agreement unless liability would have attached to the Insured notwithstanding such agreement



4. (a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination

PROVIDED THAT:

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

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

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

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

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

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

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| <b>SUB-SECTION E: MALICIOUS DAMAGE</b> |
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This Section is extended to cover loss or damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such loss or damage other than loss or damage to:

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

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

Provided that this Extension does not cover:

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

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

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

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

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| <b>SUB-SECTION F: DAMAGE TO WATER TANKS, WATER APPARATUS OR WATER PIPES</b> |
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Loss of or damage to water tanks, water apparatus, geysers or water pipes the property of the Insured installed in the buildings described in the Schedule.

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| <b>SPECIFIC CONDITIONS</b> |
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**1. REBUILDING COSTS**

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

- (a) Architects, Surveyors, Consulting Engineers and other fees approved by the Company
- (b) demolition, debris removal or the erection of pavement hoardings during rebuilding operations

- (c) costs to comply with Building Regulations framed in accordance with any act of parliament or by ordinance of any municipal or other local authority

PROVIDED THAT:

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

2. CAPITAL ADDITIONS

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

3. FIRE EXTINGUISHING CHARGES

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

4. MORTGAGEE

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

5. PUBLIC AUTHORITIES REQUIREMENTS

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

PROVIDED THAT:

1. the amount recoverable under this Specific Condition shall not include
  - (a) the costs incurred in complying with any of the aforesaid regulations
    - (i) in respect of damage occurring prior to granting of this Specific Condition
    - (ii) in respect of damage not insured under this Section
    - (iii) under which notice has been served upon the Insured prior to the happening of the damage
    - (iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged
  - (b) the additional cost that would have been required to make good the property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen
  - (c) the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations

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

#### 6. RAILWAY AND OTHER SUBROGATION CLAUSE

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

#### 7. REINSTATEMENT VALUE

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

PROVIDED THAT:

- (a) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch, and in any case must be completed within 12 (twelve) months after the destruction or damage or within such further time as the Company (during the said 12 (twelve) months) in writing allow, otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;
- (b) until expenditure has been incurred by the Insured in replacing or reinstating the property, the Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
- (c) if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a Defined Event, then the Insured shall be considered as being their own insurer for the excess and shall bear a rateable share of the loss accordingly. Each item of this Section if more than one to which these conditions apply shall be separately subject to this provision;
- (d) these conditions shall be without force or effect if:
  - (i) the Insured fail to intimate to the Company within 6 (six) months of the date of damage or such further time as the Company may in writing allow, their intention to replace or reinstate the property;
  - (ii) the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

#### 8. TEMPORARY REMOVAL

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

PROVIDED THAT:

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

9. TENANT'S

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

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

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

11. SECURITY FIRMS (Applicable to Sub-Section D - Liability)

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

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

12. LIGHTNING CONDUCTORS

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

13. SUBSIDENCE AND LANDSLIP – LIMITED COVER (Applicable to offices and office blocks only)

Notwithstanding anything contained in Sub-Section A: 3 (c) this Section is extended to cover:

Damage caused by Subsidence and Landslip

PROVIDED THAT:

the property stated in the Schedule to which this Extension applies shall not exceed three stories in height.

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

PROVIDED THAT:

this Extension does not cover:

- (a) damage to drains, watercourses, boundary walls, garden walls, retaining walls, gates, posts, pillars or fences, driveways, pavings, swimming pool surroundings or tennis courts

- (b) damage caused by or attributable to
  - (i) shrinkage or expansion of soil due to the moisture or water content of such soil as experienced in clay and other similar kind or types of soil;
  - (ii) damage which exist prior to inception of this Extension;
  - (iii) faulty design or construction, insufficient compacting or filling or the removal or weakening of support to any building(s) stated in the Schedule;
  - (iv) workmen engaged in making any structural alterations, additions, or repairs to any buildings situated at the Insured premises;
  - (v) excavation on or under land other than excavation in the course of mining operations
- (c) consequential loss or consequential damage, of any kind whatsoever except loss of Rent when specifically insured under this Section.

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

#### 14. DAMAGE TO GARDEN

Costs reasonably and necessarily incurred by the Insured in the Insured's capacity as owner of the Buildings for the replacement of trees, shrubs and plants situated at the Premises following damage due to any insured peril as defined under Sub-Section A of this Section

PROVIDED THAT:

- (a) the Company's liability will not exceed R5 000 (five thousand rand) in respect of any one occurrence
- (b) the Insured will be responsible for the first R250 (two hundred and fifty rand) in respect of any one occurrence.

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| <b>ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE</b> |
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#### 1. SUBSIDENCE AND LANDSLIP

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

Damage caused by Subsidence and Landslip

PROVIDED THAT:

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

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

PROVIDED THAT:

this Extension does not cover:

- (a) damage to drains, watercourses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured

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

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

## 2. RIOT AND STRIKE

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

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

Provided that this Extension does not cover:

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

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

## 3. ESCALATOR CLAUSE

During each period of insurance, the sum(s) insured under Sub-Section A of this Section shall be increased by that portion of the percentage specified in the Schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the sum(s) insured in force at the commencement of the period of insurance.

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

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

#### 4. PREVENTION OF ACCESS EXTENSION TO SUB-SECTION C – LOSS OF RENT

If property within a 10 (ten) km radius of the premises stated in the Schedule is lost or damaged by a peril defined in Sub-Section A during the period of insurance and this prevents or hinders the use of or access to the property insured by this Section, the Company will pay any loss of rent the Insured may incur as a result thereof up to an amount not exceeding 25% (twenty five percent) of the sum insured on the affected property. The loss of rent calculation will be based on the rent payable immediately preceding the loss or damage or its equivalent rental value.

#### 5. GUESTHOUSES (ACCOMMODATION AND LODGING)

5.1 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:

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. 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;
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. Accidental loss of or damage (excluding wear and tear) to fixed swimming pool and jacuzzi machinery or borehole pumps (excluding windmills) for domestic use only, electrified gates and garage doors installed at the insured building(s) in use as guesthouse(s)

PROVIDED THAT:

the liability of the Company shall not exceed R3 000 (three thousand rand) in respect of any one occurrence;

13. Accidental discharge or leakage from fire extinguishing installations or appliances;
14. Total or partial failure of the public supply of electricity to the premises of the Insured

PROVIDED THAT:

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

- (i) shortage of fuel or water;
- (ii) a fault on any part of the installation belonging to the premises;
- (iii) the 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 14 unless such interruption or interference extends beyond 24 (twenty four) 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 R15 000 (fifteen thousand rand) any one event or occurrence.

The Insured is responsible for a First Amount Payable of R1 000 (one thousand rand) in respect of each single claim as a result of the perils as described in 15(i) and (ii) above

16. Insured peril 6 in respect of Theft is amended to read as follows:

"6. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building or as a result of theft or any attempt thereat following violence or threat of violence. If any building insured or containing the insured property becomes unoccupied for 30 (thirty) consecutive days, this item is suspended as regards the property affected unless the Insured before the occurrence of damage obtains the written agreement of the Company to continue this Extension. During the period of the initial unoccupancy of 30 (thirty) days the Insured shall become a co-insurer with the Company and shall bear a rateable proportion of any damage equal to 20% (twenty percent) of the claim before deduction of any First Amount Payable. The Company's liability is restricted to 25% (twenty five percent) of the Sum Insured and the Insured shall be responsible for the first 10% (ten percent) of claim with a minimum of R1 000 (one thousand rand) for each and every claim admitted in terms hereof".

5.2 Sub-Section C: Loss of Rent

The wording with regards to this Sub-Section is amended as follows:

"Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 25% (twenty five percent) of the Sum Insured applicable to buildings including fixed accessories therein or thereon. The basis of calculation shall be the rent payable by the Insured as lessee of the building(s) including fixed accessories therein or thereon immediately preceding the damage or if the Insured is not the lessee of the building(s) including fixed accessories therein or thereon, the rental equivalent thereof which they would receive as lessor for leasing all the building(s) including accessories therein or thereon to a single legal entity".

## OFFICE CONTENTS

### DEFINED EVENTS

If any of the contents (excluding documents as defined in Sub-Section C and Electronic Data Processing Equipment) of the Insured's office premises (hereafter called the Offices) situated as stated in the Schedule including landlord's fixtures and fittings the property of the Insured or any principal, partner, director or employee of the Insured or for which the Insured is responsible (but excluding property more specifically insured, cellular telephones, stocks and materials in trade and samples) shall be lost or damaged by any of the perils specified in Sub-Section A the Company shall pay to the Insured the value of such contents at the time of the occurrence of such loss or damage or at its option repair or reinstate such contents or any part thereof.

The Company shall pay for loss of or damage to the whole or part of the property insured as stated in Sub-Section C and defined in terms of Definition 1. - "Documents" of this Section.

The Company shall pay for loss and/or expenditure described in Sub-Sections B and D.

### SUB-SECTION A - CONTENTS

1. Fire, lightning, thunderbolt, subterranean fire, explosion
2. Earthquake but excluding loss of or damage to property in the underground workings of any mine
3. Bursting or overflowing of water tanks, water apparatus or water pipes
4. Aircraft and other aerial devices or articles dropped therefrom
5. Storm, wind, water, hail or snow
6. 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
7. Malicious damage (as described in Specific Condition and Extension 8)
8. Accidental breakage of mirror glass, plate glass tops of furniture or fixed glass forming part of any article of furniture

#### PROVIDED THAT:

- (a) the limit of liability of the Company shall in no case exceed in respect of each item the sum stated in the Schedule;
- (b) the Company shall not be liable under this Section for loss of or damage to any motor vehicle or any accessories in or upon such motor vehicle, livestock, bonds including bearer bonds, bills of exchange, promissory notes, securities for money, stamps, negotiable documents, cash, currency or bank notes, jewellery, precious stones and the like.

### SUB-SECTION B – RENT

Reasonable additional expenses necessarily incurred by the Insured in the event of any part of the Office Premises being so damaged or destroyed by any of the perils specified above as to be rendered untenable

#### PROVIDED THAT:

- (a) the period for which the Office Premises shall be deemed untenable shall not exceed the time which would be required by a competent builder to put the Office Premises into a tenable condition and shall in no case exceed 12 (twelve) months

- (b) the liability of the Company under this Sub-Section shall be limited to 20% (twenty percent) of the total sum insured as stated in the Schedule.

For the purpose of this Sub-Section, the term "Office Premises" shall be deemed to extend to any premises or portion thereof in the vicinity of the Office Premises, damage to which prevents or limits access to the Office Premises.

#### SUB-SECTION C – DOCUMENTS

The Company shall pay up to the amount of R10 000 (ten thousand rand) or the amount stated in the Schedule which ever is the higher, all costs, charges and expenses incurred by the Insured in replacing or restoring any Documents (as hereinafter defined) the property of the Insured or in his custody or control in consequence of such documents having been destroyed, damaged, lost or mislaid

#### PROVIDED THAT:

- (a) the Insured shall cause diligent search to be made for the Documents
- (b) the Company shall not be liable hereunder for any loss or liability brought about or contributed to by the dishonesty of any of the Insured's principals, partners, directors or employees
- (c) the Company shall not be liable for claims resulting from electrical or magnetic injury or damage, disturbance or erasure of electronic or magnetic recordings except by lightning in which case the lightning loss or indemnifiable amount will be reduced by the greater of 10% (ten percent) of such amount or R1 000 (one thousand rand)
- (d) the Company shall not be liable for loss or damage caused by vermin or inherent defect or by processing, copying or other work upon the documents
- (e) the Company shall not be liable for loss or damage caused by gradual deterioration or wear and tear
- (f) the liability of the Company under this Sub-Section in respect of Documents shall be limited to the value of the stationery materials together with the cost of clerical labour expended in writing up and not for the value to the Insured of the information contained therein.

#### SUB-SECTION D – INCREASE IN COST OF WORKING

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

The indemnity under this Sub-Section shall not exceed 25% (twenty five percent) of the sum insured on all contents of the Office Premises affected.

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| SPECIFIC CONDITIONS AND EXTENTIONS |
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#### 1. CONTENTS AWAY FROM OFFICES

This Section extends to include:

loss of or damage to the office contents as specified above but excluding property belonging to any principal, partner, director or employee of the Insured as a result of

- (a) any of the insured perils whilst
- (i) temporarily contained in any private residence, hotel, inn, boarding house or club in which the Insured or his principals, partners, directors or employees may be residing

or

- (ii) deposited for safe custody in any bank or safe deposit.

## 2. TENANT'S LIABILITY

All sums which the Insured shall become legally liable to pay to the landlord of the Office Premises arising from loss or damage by any of the perils specified above to such portion or portions of the said Office Premises (including fixtures and fittings the property of the landlord therein) as may be occupied by the Insured as tenant including all costs and expenses of litigation arising there from incurred by the Insured with the written consent of the Company

PROVIDED THAT:

the liability of the Company under this Extension shall be limited to R1 000 000 (one million rand) in respect of any term of insurance.

## 3. UNDERINSURANCE

Not applicable to:

- (a) Peril 8 of Sub-Section A – Contents
- (b) Optional Extension 16 – Theft (if insured on a first loss basis)

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

## 4. WORKMEN

Contractors may be working in or on any of the within described buildings without prejudice to this Section.

## 5. FIRE EXTINGUISHING CHARGES

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

## 6. SECURITY COSTS

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

## 7. COMPULSORY FIRST AMOUNT PAYABLE

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

PROVIDED THAT:

the Insured shall be liable for an amount of at least

- (a) R250 (two hundred and fifty rand) of each and every claim (excluding claims for loss of or damage due to lightning strike(s) or theft as a result of violent entry or exit)
- (b) R1 000 (one thousand rand) of each and every claim due to lightning strike(s) or theft as a result of violent entry or exit

- (c) 10% (ten percent) of the loss with a minimum of R1 000 (one thousand rand) in respect of each and every claim as a result of theft not accompanied by violent and forcible entry to or exit from the premises or the amount stated in the Schedule whichever is the higher.

## 8. MALICIOUS DAMAGE

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

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

Provided that this Extension does not cover:

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

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

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

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

## 9. LIGHTNING CONDUCTORS

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

10. RIOT AND STRIKE (If stated in the Schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, Sub-Sections A, B and C of this Section are extended to cover damage directly occasioned by or through or in consequence of:

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

Provided that this Extension does not cover:

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

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

11. LOSS OF LOCKS AND KEYS

This Section is extended to indemnify the Insured in respect of the cost of replacing locks and keys including the remote and/or alarm controller and, if necessary, the reprogramming of such coded alarm system of the insured property following upon loss of or damage to the lock or key, remote or alarm controller or upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key, remote or alarm controller.

This Section also covers the reasonable expenses incurred in an emergency to call in a locksmith as a result of the loss of such keys, remote and/or alarm controller

PROVIDED THAT:

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

12. CAPITAL ADDITIONS

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

13. NEW AND ADDITIONAL PREMISES



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

PROVIDED THAT:

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

**14. REMOVAL OF DEBRIS**

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

The Company will not pay for any costs or expenses:

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

**15. THEFT AS A RESULT OF VIOLENT ENTRY OR EXIT**

The following Peril 9 is added to the perils applicable to Sub-Section A – Contents:

- 9. Theft accompanied by forcible and violent entry to or exit from the offices or any attempt thereat or due to theft (or attempt thereat) following upon violence or threat of violence

PROVIDED THAT:

- (i) the Company shall not be liable in respect of this Extension for theft or attempted theft by any principal, partner in or of, or director or employee of the Insured;
- (ii) the amount payable shall be reduced by the compulsory First Amount Payable stated in Specific Condition 7(b) of this Section;
- (iii) the Company shall not be liable in respect of personal effects being the property of the Insured or any principal, partner, director or employee of the Insured exceeding R2 500 (two thousand five hundred rand) in respect of any one individual.

**16. THEFT (If stated in the Schedule to be included)**

The following Peril 10 is added to the perils applicable to Sub-Section A – Contents:

- 10. Theft or any attempt thereat except by a principal, partner in or of, or director or employee of the Insured

PROVIDED THAT:

- (i) the amount payable shall be reduced by the compulsory First Amount Payable stated in Specific Condition 7(c) of this Section;
- (ii) the maximum amount payable shall not exceed the sum insured stated in the Schedule for this Extension, less the compulsory First Amount Payable;

- (iii) the Company shall not be liable in respect of personal effects being the property of the Insured or any principal, partner, director or employee of the Insured exceeding R2 500 (two thousand five hundred rand) in respect of any one individual.

## DEFINITIONS

### 1. DOCUMENTS

Documents means films, tapes, addressograph plates, drawings, abstracts, mortgages, manuscripts, deeds, wills, agreements, maps, plans, records, written or printed books, letters, certificates or written or printed documents or forms of any nature (excluding any bearer bonds or coupons, stamps of any kind, securities, cheques, any written evidence of indebtedness or obligation, computer software and computer data carrying media, bank or currency notes or other negotiable paper) the property of or entrusted to the Insured which are actually in his possession or which are believed to be in his possession or in the hands of any other party to whom such Documents have been entrusted by the Insured in the ordinary course of business.

### 2. ELECTRONIC DATA PROCESSING EQUIPMENT

Electronic Data Processing Equipment as mentioned under Defined Events of this Section is limited to computers and all related hardware, peripherals and computer software and the information or data stored therein or thereon.

## ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE

### 1. BURGLAR ALARM

In respect of any premises at which a burglar alarm system is installed it is a condition precedent to liability of the Company and warranted that:

- (a) the burglar alarm system installed at the premises shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or employee of the Insured is on the premises;
- (b) such burglar alarm system shall be maintained in proper working order but the Insured shall be deemed to have discharged their liability therefore if they have maintained their obligations under a contract with the suppliers or servicing engineers of the alarm system.

This insurance shall not cover loss of or damage to the property following the use of the keys of the burglar alarm system or any duplicate thereof belonging to the Insured unless such keys have been obtained by violence or threat of violence to any person.

### 2. PROTECTIONS

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

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

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

### 3. WATCHMAN

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

## BUSINESS INTERRUPTION

### DEFINED EVENTS

If any building or other property or any part thereof used by the Insured at the premises for the purpose of the business be destroyed or damaged by any of the perils insured under the Fire, Buildings Combined and Office Contents Sections or any other Material Damage insurance (excluding Crop insurance) covering the interest of the Insured but only in respect of perils insured under the Fire Section of this Policy (destruction or damage so caused being hereinafter termed "Damage") and the business carried on by the Insured at the premises be in consequence thereof interrupted or interfered with then the Company shall pay to the Insured in respect of each item in the Schedule hereto the amount of loss resulting from such interruption or interference in accordance with the provisions herein contained

### PROVIDED THAT:

- (a) at the time of the occurrence of the Damage there shall be in force an insurance, excluding wine and related products (or the product specified in the Schedule) and used packing and other material forming part thereof, only applicable if insured in terms of item 3 Revenue as defined under the heading Definitions covering the interest of the Insured in the property at the premises against such Damage and that payment shall have been made or liability admitted thereof under such insurance
- (b) the liability of the Company shall in no case exceed in respect of each item the sum insured as stated in the Schedule.

### ITEM 1 - GROSS PROFIT (Difference Basis)

The insurance under this item is limited to loss of gross profit due to:

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

and the amount payable as indemnity hereunder shall be

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

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the Damage

### PROVIDED THAT:

the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 (twelve) months.

### ITEM 1 - GROSS PROFIT (Additions Basis)

The insurance under this item is limited to loss of gross profit due to:

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

and the amount payable as indemnity hereunder shall be

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

less any sum saved during the indemnity period in respect of such of the insured standing charges as may cease or be reduced in consequence of the Damage

PROVIDED THAT:

the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 (twelve) months.

MEMO

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

## ITEM 2 - GROSS RENTALS

The insurance under this item is limited to:

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

and the amount payable as indemnity hereunder shall be

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

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross rentals as may cease or be reduced in consequence of the Damage

PROVIDED THAT:

the amount payable shall be proportionately reduced if the sum insured in respect of gross rental is less than the annual gross rentals where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 (twelve) months.

## ITEM 3 – REVENUE

The insurance under this item is limited to:

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

and the amount payable as indemnity hereunder shall be

- (a) in respect of loss of revenue the amount by which the revenue during the indemnity period shall, in consequence of the Damage, fall short of the standard revenue

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

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the Damage

PROVIDED THAT:

the amount payable shall be proportionately reduced if the sum insured in respect of revenue is less than the annual revenue where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual revenue where the maximum indemnity period exceeds 12 (twelve) months.

#### ITEM 4 - ADDITIONAL INCREASE IN COST OF WORKING

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

#### ITEM 5 – WAGES (Number of weeks basis)

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

The amount payable as indemnity under this item will be the actual amount which the Insured shall pay as wages for such period to employees whose services cannot, in consequence of the Damage, be utilised by the Insured at all and an equitable part of the wages paid for such period to employees whose services cannot, in consequence of the Damage, be utilised by the Insured to the full

PROVIDED THAT:

if the sum insured by this item is less than the aggregate amount of the wages that would have been paid during the specified number of weeks immediately following the Damage had the Damage not occurred, the amount payable will be proportionately reduced.

#### ITEM 6 (i) – FINES AND PENALTIES FOR BREACH OF CONTRACT (WINE OR GRAPE PRODUCERS OR WINE CELLARS)

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.

#### ITEM 6 (ii) – CONTRACTUAL COMMITMENTS TO GROWERS (WINE CELLARS ONLY)

The insurance under this item is limited to the Insured's contractual commitments and the amount payable as indemnity hereunder shall be such sum as the Insured shall be legally liable to pay under contracts for the purchase of grapes not used or processed, less any sums receivable by the Insured in respect of such grapes through any salvage handling operations or resale solely in consequence of the damage during the period commencing with the date of the damage and ending not later than 12 (twelve) months thereafter

PROVIDED THAT:

- (a) if the sum insured by this item shall be less than the total contractual commitments that would have been paid during the 12 months immediately following the damage had the damage not occurred, the amount payable shall be proportionately reduced
- (b) written proof of such contractual commitments must be submitted to the Company if so required.

## DEFINITIONS

### 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.

### Turnover

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

### Revenue

The money paid or payable to the Insured for goods sold and for services rendered in the course of the business at the premises including the monetary value of the closing (unsold) stock

### PROVIDED THAT:

in respect of wine and related products purchased for the purpose

1. of mixing and/or blending or
2. to replenish shortages of wine for the purpose to fulfill and meet existing contracts

will be considered and regarded as forming part of production cost.

### Gross rentals

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

### Gross profit (Difference basis)

The amount by which

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

### PROVIDED THAT:

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

### Uninsured costs

These are defined in the Schedule and the words and expressions used shall have the meaning usually attached to them in the books and accounts of the Insured.

### Gross profit (Additions basis)

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



## Net profit

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

## Insured Standing Charges

These are defined in the Schedule and the words and expressions used shall have the meaning usually attached to them in the books and accounts of the Insured

### Standard turnover

### Standard revenue

### Standard gross rentals

The turnover (revenue) (gross rentals) during that period in the 12 (twelve) months immediately before the commencement of the Damage which corresponds with the indemnity period

### Annual turnover

### Annual revenue

### Annual gross rentals

The turnover (revenue) (gross rentals) during that period in the 12 (twelve) months immediately before the commencement of the Damage

### Rate of gross profit

The rate of gross profit earned on the turnover during the financial year immediately before the commencement of the Damage

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

**Note:** If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of Damage.

## Memo

If during the indemnity period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover, revenue or gross rentals, during the indemnity period.

## SPECIFIC CONDITIONS

1. The insurance by this Section shall cease if:
  - (a) the Business is wound up or carried on by a liquidator, curator, trustee or judicial manager or is permanently discontinued
  - (b) the Insured's interests cease to exist in any other way than by death.
2. On the happening of any Damage in consequence of which a claim may be made under this Section the Insured shall in addition to complying with General Conditions 7 and 9 of this Policy with due diligence do and concur in doing and permit to

be done all things which may be reasonable practicable to minimize or check any interruption of or interference with the business or to avoid or diminish the loss and in the event of a claim being made under this Section shall, not later than 30 (thirty) days after the expiry of the Indemnity Period (or within such further time as the Company may in writing allow) at their own expense deliver to the Company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom.

3. No claim under this Section shall be payable after the expiry of:
- (a) a period of 1 (one) year calculated from the end of the indemnity period,
  - or
  - (b) a period of 3 (three) months from the date on which payment shall have been made or liability admitted in respect of the insurance covering the interests of the Insured in the property at the premises against Damage from which the aforementioned claim arose

unless the claim is the subject of pending legal action or the subject of arbitration under the provisions of General Condition 14 of this Policy.

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| <b>CLAUSES AND EXTENSIONS</b> |
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**A. AUDITORS**

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

**B. ACCUMULATED STOCKS**

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

**C. DEPARTMENTS**

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

**D. DEPOSIT PREMIUM**

In consideration of the premium by items 1, 2, 3 or 6 (ii) being provisional in that it is calculated on 75% (seventy five percent) of the sum insured, the premium is subject to adjustment on expiry of each term of insurance as follows:

in the event of the gross profit/gross rentals/revenue earned (proportionately increased in the number of months referred to in the definition of indemnity period exceeds 12 (twelve)) during the financial year most nearly concurrent with any period of insurance being less or greater than 75% (seventy five percent) of the sum insured thereon, a pro rate return or additional premium not exceeding one third (1/3) of the provisional premium paid for such period of insurance will be made in respect of the difference.

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

E. OUTPUT (Alternative basis)

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

PROVIDED THAT:

- (a) only the meaning of "output" or the meaning of "turnover" shall be operative in connection with any one event resulting in interruption
- (b) if the meaning of "output" be used
  - (i) the accumulated stocks clause shall be inoperative
  - (ii) the memo at the end of the definitions shall read:

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

F. PAYMENTS ON ACCOUNTS

In the event of a claim, the Company will make periodical payments on account to the Insured if desired.

G. SALVAGE SALE

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

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

H. PREVENTION OF ACCESS

Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of Damage (as referred to in this Section) to property in the vicinity of the premises which shall prevent or hinder the use thereof or access thereto whether the premises or property of the Insured therein shall be damaged or not, shall be deemed to be loss resulting from Damage (as referred to in this Section) to property used by the Insured at the premises.

I. STORAGE AND TRANSIT

Loss as insured by this Section resulting from interruption of or interference with the business in consequence of Damage due to perils insured in terms of this Section to property:

- (a) at premises where the Insured have stored or temporarily deposited property (either for processing or storage purposes) or are fulfilling a contract
- (b) whilst in transit by air, road, railway or inland waterway
- (c) being motor vehicles of the Insured elsewhere than at the Insured's premises
- (d) at the premises of the Insured's associated and subsidiary companies

shall be deemed to be loss resulting from Damage to property used by the Insured at the premises.

**J. NEW BUSINESS (Only applicable when Gross Profit is insured)**

For the purpose of any claim arising from Damage occurring before the completion of the first year's trading of the business at the premises the terms "Rate of Gross Profit", "Annual Turnover" and "Standard Turnover" shall bear the following meanings and not as stated within:

**RATE OF GROSS PROFIT**

The rate of gross profit earned on the turnover during the period between the date of the commencement of the business and the date of the Damage

**ANNUAL TURNOVER**

The proportional equivalent, for a period of 12 (twelve) months of the turnover realised during the period between the commencement of the business and the date of the Damage

**STANDARD TURNOVER**

The proportional equivalent, for a period equal to the indemnity period, of the turnover realised during the period between the commencement of the business and the date of the Damage

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

**Note:** If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of Damage

**K. NEW BUSINESS (Only applicable when Rent is insured)**

For the purpose of any claim arising from Damage occurring before the completion of the first year's trading of the business at the premises the terms "Annual Gross Rentals" and "Standard Gross Rentals" shall bear the following meanings and not as stated within

**ANNUAL GROSS RENTAL**

The proportional equivalent, for a period of 12 (twelve) months, of the rental realised during the period between commencement of the business and the date of the Damage

**STANDARD GROSS RENTALS**

The proportional equivalent, for a period equal to the indemnity period, of the rental realised during the period between the commencement of the business and the date of the Damage

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

**Note:** If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of Damage

**L. NEW BUSINESS (Only applicable when Revenue is insured)**

For the purpose of any claim arising from Damage occurring before the completion of the first year's trading of the business at the premises the terms "Annual Revenue" and "Standard Revenue" shall bear the following meanings and not as stated within:

#### ANNUAL REVENUE

The proportional equivalent, for a period of 12 (twelve) months, of the revenue realised during the period between the commencement of the business and the date of the Damage

#### STANDARD REVENUE

The proportional equivalent, for a period equal to the indemnity period, of the revenue realised during the period between the commencement of the business and the date of the Damage

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

Note: If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of Damage.

#### M. ADDITIONAL AND NEW PREMISES

Loss as insured by this Section resulting from interruption of or interference with the business in consequence of Damage (as herein defined) to property at any premises in respect of which the Insured has entered into a contract to have constructed, to purchase, to lease or to rent shall be deemed to be loss resulting from damage to property used by the Insured at the premises

PROVIDED THAT:

notice thereof is given to the Company as soon as reasonably practical and adjustment of premium be made if required.

#### N. GEOGRAPHICAL LIMITS

The geographical limits in terms of Clauses H – Prevention of Access, I – Storage and Transit including Endorsement 1 (not applicable to specified suppliers), 2, 3, 4, 5 and 6 (ii) are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

Additional and new premises described in terms of Clause M of this Section is confined to the Republic of South African and Namibia.

### ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE

#### 1. CUSTOMERS AND SUPPLIERS

In consideration of the payment of an additional premium any loss arising from interruption or interference with the Business as a result of contingencies hereby insured against, to premises or other property of customers or suppliers specified in the Schedule subject to the stated limits shall be regarded as a loss resulting from Damage to property used by the Insured on the premises

PROVIDED THAT:

- (a) the liability of the Company in respect of unspecified customers and suppliers shall be limited to 10% (ten percent) of the Gross Profit/Revenue/Gross Rental insured;
- (b) suppliers, if unspecified, excludes the premises of any public supply undertaking from which the Insured obtains electricity, gas or water;
- (c) the reference to "Perils insured under the Fire Section of this Policy" as stated under the heading Defined Events of this Section pertaining to any planted (growing) vineyards will be limited to the perils of fire and lightning only;

2. **WATER AND ELECTRICITY SUPPLIER'S PREMISES**

In consideration of the payment of an additional premium this Section is extended to include loss resulting from interruption of or interference with the Business in consequence of damage by any of the contingencies hereby insured against to property belonging to any public undertaking which supplies electricity, gas or water

PROVIDED THAT:

the interruption shall continue uninterrupted for at least 24 (twenty four) hours.

3. **PUBLIC TELECOMMUNICATIONS – INSURED PERILS ONLY**

Loss as insured by this Section resulting from interruption of or interference with the business in consequence of Damage (as within defined):

- (i) to property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the Insured;
- (ii) to the transmission facilities network of the public authority mentioned in (i) above shall be deemed to be loss resulting from Damage to the property used by the Insured at the premises.

4. **PUBLIC TELECOMMUNICATIONS – EXTENDED COVER**

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 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 Exceptions 1 and 2 but cover provided under the Malicious Damage Extension in the underlying Material Damage Section of this Policy is not excluded.

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

5. **PUBLIC UTILITIES – EXTENDED COVER**

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

- (i) drought;
- (ii) pollution of water;
- (iii) shortage of fuel or water;
- (iv) a fault on any part of the installation belonging to the premises;
- (v) the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority;

- (vi) any event described in General Exceptions 1 and 2 but cover provided by the Malicious Damage Extension in the underlying Material Damage Section of this Policy is not excluded.

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

#### 6. ACCIDENTAL DAMAGE OTHER THAN WINE

The following Defined Event is added:

"Loss following interruption 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 Other Than Wine 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 Other Than Wine Section for both this Section and Accidental Damage Other Than Wine Section combined"

#### 7. ACCIDENTAL DAMAGE - WINE

The following Defined Events are added:

"Loss following interruption or interference with the business in consequence of Damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under Defined Events 4.1, 4.2 or 4.3 as contained in the Special Provisions with reference to wine and related products applicable to Item 1. Wine and Related Products of the Accidental Damage – Wine Section of the 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 - Wine Section for both this Section and the Accidental Damage - Wine Section combined".

#### 8. GUESTHOUSES (ACCOMMODATION AND LODGING)

In consideration of the payment of an additional premium the undermentioned Defined Events are added:

- (i) Section 15 – Theft - Wine
- (ii) Section 19 – Transit – Wine
- (iii) Section 27 – Single Transit - Wine
- (iv) The outbreak of a notifiable infectious, or otherwise dangerous human sickness, illness or disease occurring at the insured premises or the arising of a situation which might lead to the occurrence of such sickness, illness or disease, resulting in the closure or partial closure or other interference with the business by order of the State or Government, local authority or any other competent authority;
- (v) Murder, suicide and/or food poisoning occurring on the insured premises;
- (vi) The pollution of any sea, beach or waterway within 15 (fifteen) kilometres of the insured premises;

- (vii) Use of or access to the insured premises being prevented or hindered following upon a bomb scare in excess of the first 6 (six) hours of such bomb scare;
- (viii) Wild game attack, shark attack or shark scare

PROVIDED ALWAYS THAT:

the insurance hereunder shall be subject to the following Special Conditions:

- (a) the liability of the Company shall not exceed the Sum Insured as stated in the Schedule in respect of this Extension;
- (b) the provision requiring material damage to occur, shall not apply to Defined Events (iv) to (vii) of this Extension;
- (ix) In consequence of a license granted in respect of the insured premises for the sale by retail of excisable liquors (hereinafter referred to as 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 is entitled to payment of compensation under the provisions of any act of parliament relating to the refusal to renew the License, no claim shall be payable under this Extension;
- (b) in the event of death, bankruptcy, incapacity, desertion of the insured premises or conviction for any offence where such conviction affects the character or reputation of the convicted person with regard to this honesty, moral standing or sobriety of the tenant, manager, occupier or licensee, the Insured shall, where practical and at the request of the Company, procure a suitable person to replace him/her and one to whom the justice will transfer the License or grant the License by way of renewal;
- (c) if the forfeiture of or refusal to renew the License is occasioned wholly or partly by or through the misconduct or procurement or connivance or neglect or omission of the Insured or by any omission of the Insured to take any step necessary for keeping the License in force, no claim shall be payable under this Extension unless the Insured or any other claimant hereunder shall prove to the reasonable satisfaction of the Company that such matter was beyond his/her or their power or control;
- (d) if the refused renewal, suspension or forfeiture of the 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 granting, surrender, refusal to renew, suspension or forfeiture of Licenses, no claim shall be payable under this Extension;
- (e) the Insured shall, on becoming aware of any:
  - (i) complaint against the insured premises or the control thereof;
  - (ii) proceedings against or conviction of the licensee, manager, tenant or occupier of the premises for any breach of licensing law or any matter whatsoever whereby the character or reputation of the person concerned is affected or called into question with regard to his honesty, moral standing or sobriety;
  - (iii) transfer or proposed transfer of the 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 Company and supply such additional information and give such assistance as the Company may reasonably require



## ACCOUNTS RECEIVABLE

### DEFINED EVENTS

The Company shall indemnify the Insured in respect of:

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

### PROVIDED THAT:

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

If, because of imminent danger of their destruction, such books of account or other business books or records are removed to a place of safety, the insurance hereunder shall apply if such goods are destroyed, damaged or lost as aforesaid during such removal or while so located or being returned to the premises, provided the Insured shall notify the Company in writing of such removal within 30 (thirty) days thereafter.

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

### SPECIFIC EXCEPTIONS

The Company will not pay for:

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

### SPECIFICATION

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

- (i) the difference between
  - (a) the outstanding debit balances
  - and
  - (b) the total of the amounts received or traced in respect thereof
- plus

- (ii) the additional expenditure incurred in tracing and establishing customers' debit balances after the Damage

PROVIDED THAT:

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

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| <b>DEFINITIONS</b> |
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**Outstanding debit balances**

The total declared in the statement last given under the provisions of the following memorandum adjusted for:

- (a) bad debts
  - (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the Damage) to customers' accounts in the period between the date to which said last statement relates and the date of the Damage
- and
- (c) any abnormal condition of trade which had or could have had a material effect on the business

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

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| <b>CLAUSES, EXTENSIONS AND MEMORANDA</b> |
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**1. Declarations**

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

**2. Adjustment**

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

on the expiry of each period of insurance, the actual premium shall be calculated at the rate per cent per annum on the average amount insured, i.e. the total of the sums declared divided by the number of declarations. If the actual premium is greater than the provisional premium, the Insured shall pay the difference. If it is less, the difference shall be repaid to the Insured, but such repayment shall not exceed 33,⅓% (thirty three and a third per cent) of the provisional premium paid.

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

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

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

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

Provided that this Extension does not cover:

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

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

4. **Accountants clause**

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

5. **Duplicate records (If stated in the Schedule to be included)**

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

6. **Protections (If stated in the Schedule to be included)**

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

7. **Transit**

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

## THEFT

### DEFINED EVENTS

The Company shall indemnify the Insured in respect of loss of or damage to all contents, (the property of the Insured or for which they are responsible) of any building and / or wine tanks 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 and / or wine tanks or any attempt thereat or as a result of theft (or any attempt thereat) following violence or threat of violence.

### SPECIFIC EXCEPTIONS

The Company shall not be liable for:

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

### EXTENSIONS

#### 1. ALL CONTENTS

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

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

#### 2. LOCKS AND KEYS

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

PROVIDED THAT:

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

**3. DAMAGE TO THE BUILDINGS AND/OR WINE TANKS**

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

PROVIDED THAT:

the Company's liability shall not exceed R10 000 (ten thousand rand) or the amount stated in the Schedule whichever is the greater in respect of any one event.

**4. THIEVES CONCEALED UPON THE INSURED PREMISES / USE OF SKELETON KEYS / ADDITIONAL PREMISES**

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

- (a) caused or accompanied by:
  - (i) a thief or thieves being concealed upon the insured premises before close of business;
  - (ii) entry to and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding a duplicate key) provided that the Insured shall establish to the satisfaction of the Company that such a skeleton key or device was used;
- (b) whilst in a building at any additional premises used by the Insured provided that:
  - (i) such additional premises are advised to the Company within 30 (thirty) days from the time the risk attaches to the Company;
  - (ii) an additional premium, if any, is paid;
  - (iii) the Company's liability in respect of this Extension shall not exceed 50% (fifty percent) of the highest amount stated in the Schedule to any one premise.

**5. GUESTHOUSES (ACCOMMODATION AND LODGING) (If stated in the Schedule to be included)**

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

## DEFINED EVENTS

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

PROVIDED THAT:

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

### 6. PROPERTY IN THE OPEN (WINE AND RELATED PRODUCTS IN TANKS ONLY)

Notwithstanding anything contained herein to the contrary property in the open is covered

PROVIDED THAT:

- (a) the premises must be enclosed with a wire fence of at least 2,0 meters high,
- (b) the entrance gate(s) must be locked at all times,
- (c) all taps to the wine tanks in the open be securely locked and/or protected by a locked casing, and/or a similar safety device and
- (d) the Insured shall be liable for the first 5% (five percent) with a minimum of R500 (five hundred rand) in respect of each and every claim.

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| SPECIFIC CONDITIONS |
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### 1. FIRST AMOUNT PAYABLE

Unless otherwise stated to the contrary in terms of this Section the Company shall not be liable for:

the first 10% (ten percent) of each and every claim

PROVIDED THAT:

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

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| ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE |
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### 1. BURGLAR ALARM

In respect of any premises at which a burglar alarm system is installed it is a condition precedent to liability of the Company and warranted that:

- (a) such burglar alarm system installed at the premises shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or employee of the Insured is on the premises;

- (b) such burglar alarm system shall be maintained in proper working order but the Insured shall be deemed to have discharged their liability therefore if they have maintained their obligations under a contract with the suppliers or servicing engineers of the alarm system.

This insurance shall not cover loss of or damage to the property following the use of the keys of the burglar alarm system or any duplicate thereof belonging to the Insured unless such keys have been obtained by violence or threat of violence to any person.

## 2. PROTECTIONS

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

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

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

## 3. WATCHMAN

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

## MONEY

### DEFINED EVENTS

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

### PROVIDED THAT:

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

## SPECIFIC EXCEPTIONS

The Company shall not be liable for:

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

## DEFINITIONS

### 1. MONEY

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

### 2. RECEPTACLE

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

### 3. CLOTHING

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





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

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

(c) Total and absolute disability to attend to any part of usual occupation or business limited to 104 weeks any one injury R100 (one hundred rand) for each week of total disability

(d) Medical: The reasonable expenses incurred shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) incurred within 24 (twenty four) months of the Defined Event up to a maximum amount of R2 000 (two thousand rand).

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

PROVIDED THAT:

- (a) this Section does not cover:
- (i) death or disablement occasioned by or happening to any such person under the influence or effect (temporary or otherwise) of intoxicating liquor, drugs, anaesthetics or narcotics;
  - (ii) any such person under the age of 15 (fifteen) and over the age of 75 (seventy five);
- (b) the total payment under this Section in respect of any such person shall not exceed the amount payable in the event of death plus total and absolute disability and medical expenses as above;
- (c) the sum specified under Extension 1(c) shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 (one hundred and four) weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain;
- (d) compensation payable under Extension 1(d) shall be reduced by an amount equal to the compensation received or receivable under any Workmen's Compensation Enactment in respect of any treatment for which compensation is payable under Extension 1(d);
- (e) after suffering bodily injury for which benefit may be payable under this Extension, such person shall submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- (f) General Exception 2 and General Conditions 5 and 10 do not apply to this Extension;
- (g) in respect of this Extension only General Exception 1 is deleted and replaced by the following:
- "This Extension does not cover death or bodily injury directly or indirectly caused by or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution or military or usurped power".

## 2. LOCKS AND KEYS

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

PROVIDED THAT:

- (i) the liability of the Company in respect of any one loss shall not exceed R2 000 (two thousand rand) or the amount stated in the Schedule whichever is the greater;
- (ii) the Company shall not be liable for the first R200 (two hundred rand) of each and every claim.

3. RECEPTACLES AND CLOTHING

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

4. RIOT AND STRIKE (If stated in the Schedule to be included)

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

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

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

5. SKELETON KEYS

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

MEMORANDA

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

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

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

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| SPECIFIC CONDITIONS |
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1. FIRST AMOUNT PAYABLE

The Company shall not be liable for:

the first 10% (ten percent) of each and every claim

PROVIDED THAT:

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

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

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| PROCEDURE FOR DRAWING AND CROSSING OF CHEQUES |
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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 South African Insurance Association (SAIA) and the printed portion of the cheque (as opposed to the written or typed portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau

or

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

2. Cheques drawn by someone other than the Insured and which were received by the Insured by post or direct by the cashier
  - (a) such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by the Insured and
  - (b) the Insured is able to identify the drawer and amount of the cheque from their records.
  
3. Cheques of which the Insured is the true owner which were drawn by someone other than the Insured and posted to the Insured but did not receive
  - (a) the cheque has been drawn and crossed exactly in accordance with the under mentioned "Recommended SAIA Procedure for Drawing and Crossing of Cheques" or any other superior method approved by the South African Insurance Association (SAIA)  
  
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 SAIA) on it recommending or requiring that the cheque be drawn in accordance with the under mentioned "Recommended SAIA procedure for drawing and crossing of cheques"

PROVIDED THAT:

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

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| <b>RECOMMENDED SAIA PROCEDURE FOR DRAWING AND CROSSING OF CHEQUES AND PRINTING OF BLANK CHEQUES</b> |
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**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 SAIA

1. Delete the pre-printed words "or bearer". This limits the possibility of the drawee bank paying out to a bearer who might not be entitled to payment.
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 fully described for example where the payee is a company its full name should be used: RH Jones (Pty) Ltd not just RH Jones.

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

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



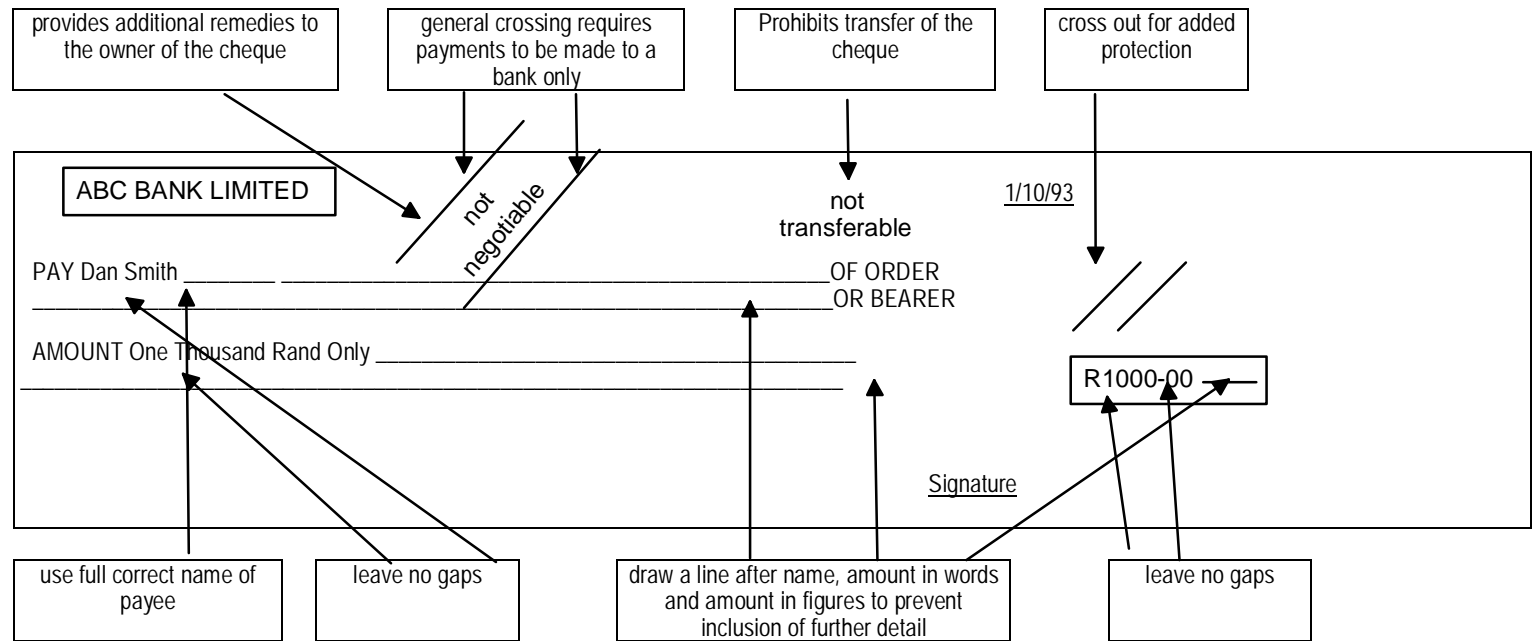
7. In drawing the cheque no spaces should be left which would allow anyone to add extra words or figures.
8. An example of this method of drawing a cheque is attached as Annexure A.
9. On the front of the cheque the wording listed in Annexure B (last page of this Section) should be printed. Please ensure that space is left on the rear of the cheque for bank stamps and endorsements.
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 handwriting, a typewriter or a dot matrix printer. The ribbon used on the printer/typewriter should be of the type which impregnates the paper with ink. Do not use:
  - (i) old ribbons
  - (ii) laser printers which do not make an impression into the paper
  - (iii) the "reverse printing technique"
  - (iv) correctable type ribbons.

**B. Printing of blank cheques**

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

- (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.

ANNEXURE A - SAIA RECOMMENDED CHEQUE



ANNEXURE B - SAIA RECOMMENDED CHEQUE

Warning to be printed on bottom left front of cheque

WARNING

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

If this cheque has been stolen from or lost by the true owner, you may be liable to reimburse such owner for his/her loss if you encash it or receive it in exchange for any consideration. (Section 81 of the Bills of Exchange Act, 1964)

NB This cheque is crossed and marked "not negotiable" and "not transferable".

## GLASS

### DEFINED EVENTS

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

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

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

### PROVIDED THAT:

the liability of the Company shall not in the aggregate exceed the amount of R5 000 (five thousand rand).

## DEFINITIONS

### 1. GLASS

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

### 2. BREAKAGE

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

## EXTENSIONS

### 1. ORNAMENTATION, SIGNWRITING AND BURGLAR ALARM STRIPS

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

### 2. SPECIAL REPLACEMENT (If stated in the Schedule to be included)

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

PROVIDED THAT:

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

3. RIOT AND STRIKE (If stated in the Schedule to be included)

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

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

Provided that this Extension does not cover:

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

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

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

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| SPECIFIC CONDITIONS |
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1. UNDERINSURANCE

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

## SPECIFIC EXCEPTIONS

This Section does not cover:

1. loss of or damage to glass in respect of perils insured against in the Fire, Houseowners and Householders Sections or a Fire, Houseowners or Householders policy of another insurer;
2. loss or damage which is less than R100 (one hundred rand);
3. consequential loss or damage of any nature whatsoever;
4. glass which has been cracked or damaged before commencement of the insurance under this Section;
5. cracked glass or breakage caused by or resulting from alterations or additions to the premises;
6. any stock-in-trade.

## FIDELITY GUARANTEE

### DEFINED EVENTS

The Company shall indemnify the Insured in respect of:

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

#### PROVIDED THAT:

1. (a) the Company is not liable for all losses which occurred more than 24 (twenty four) months prior to discovery;  
(b) all losses are discovered not later than 12 (twelve) months after the termination of:
  - (i) this Section, or
  - (ii) this Section in respect of any insured employee concerned in a loss, or
  - (iii) the employment of the insured employee or the last of the insured employees concerned in a losswhichever occurs first;
2. (a) **Blanket basis** - the liability of the Company for all losses shall not exceed the sum insured stated in the Schedule whether involving any one employee or any number of employees acting in collusion or independently of each other;  
(b) **Named or position basis** - the Liability of the Company for all losses involving any employee shall not exceed the sum insured stated opposite his name in the Schedule or, if he is unnamed, the sum insured stated opposite the position held by him in the business as stated in the Schedule.
3. Renewal of this insurance from period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the Company beyond the sum insured stated in the Schedule. If the period of insurance is less than 12 (twelve) months the Company's liability is limited to the sum stated in the Schedule during any 12 (twelve) month period of insurance calculated from inception or renewal.
4. The term "dishonest personal financial gain" shall not include gain by an employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

### DEFINITIONS

#### 1. EMPLOYEE

Employee shall mean:

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

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

SPECIFIC EXCEPTIONS

1. The Company shall not be liable for:
  - (a) loss resulting from or contributed to by any Defined Event by
    - (i) any partner in or of the Insured to the extent that such partner would benefit by indemnity granted under this Section;
    - (ii) any principal, director or member of the Insured unless such principal director or member is also an employee;
    - (iii) any employee from the time the Insured shall become aware that such employee has committed any fraud or dishonesty;
  - (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 the dishonest
  - (i) manipulation of
  - (ii) input into
  - (iii) suppression of input into
  - (iv) destruction of
  - (v) alteration ofany computer programme, system, data or software by any insured employee who is employed in the Insured's electronic data processing department or area.

This Specific Exception does not apply to insured employees who are employed in the electronic data processing department/area of any non-networked micro/personal computer.
4. The Company shall only be liable to the extent of the participation/shareholding of any uninvolved partner/principal/director or member for an insured event in which any partner/principal/director or member of the Insured is or has been directly involved.

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

SPECIFIC CONDITIONS

1. The Insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting his/her business as has been represented to the Company but the Insured may:
  - (a) change the remuneration and conditions of service of any employee;
  - (b) in respect of any employee who is described in the Schedule by name, change his duties and position;
  - (c) in respect of any employee who is described in the Schedule only by the position held by him/her, remove such employee and place in his/her position any other person who falls within the definition of employee;



- (d) make such other changes as are approved beforehand in writing by the Insured's auditors.

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

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| <b>CLAUSES AND EXTENSIONS</b> |
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1. **ACCOUNTANTS**

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

2. **EXTENDED COVER FOR PAST EMPLOYEES**

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

3. **RETROACTIVE COVER - NO PREVIOUS INSURANCE IN FORCE (If stated in the Schedule to be included)**

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

PROVIDED THAT:

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

4. **SUPERSEDED INSURANCE (If stated in the Schedule to be included)**

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

PROVIDED THAT:

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

5. OTHER INSURANCES

It is a condition of this Section that other than

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

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

6. COMPULSORY FIRST AMOUNT PAYABLE

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

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

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

7. COMPUTER LOSSES FIRST AMOUNT PAYABLE

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

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

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

8. FIRST AMOUNT PAYABLE FOR LOSSES DISCOVERED MORE THAN 12 (TWELVE) MONTHS AFTER THEY WERE COMMITTED

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

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

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

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

9. VOLUNTARY FIRST AMOUNT PAYABLE (If stated in the Schedule to be included)

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

PROVIDED THAT:

such voluntary amount exceeds the compulsory amount.

10. REDUCTION/REINSTATEMENT OF INSURED AMOUNT (If stated in the Schedule to be included)

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

PROVIDED THAT:

(a) the maximum amount payable by the Company for all insured employees shall not exceed double the sum insured shown in the Schedule;

(b) the Insured pays additional premium calculated in terms of the following formula

$$\text{Annual premium in force at time of discovery of loss} \times \frac{\text{Amount of claim payment}}{\text{Sum insured at time of discovery of loss}}$$

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

11. COSTS OF RECOVERY (If stated in the Schedule to be included)

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

of the Company and the Insured to the extent of his 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 satisfactory questionnaire, Specific Exception 3 and the computer losses First Amount Payable Clause are deleted.

13. EXTENSION FOR LOSSES DISCOVERED MORE THAN 24 (TWENTY FOUR) MONTHS AFTER BEING COMMITTED BUT NOT MORE THAN 36 (THIRTY SIX) MONTHS THEREAFTER (If stated in the Schedule to be included)

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

14. EXTENSION GRANTED ON RECEIPT OF A SATISFACTORY SYSTEMS AUDIT IN RESPECT OF LOSSES DISCOVERED MORE THAN 24 (TWENTY FOUR) MONTHS AFTER BEING COMMITTED (If stated in the Schedule to be included)

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

- control
- fraud dishonesty and theft detection

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

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

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

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

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

## SPECIAL PROVISIONS

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

## TRANSIT

### DEFINED EVENTS

#### 1. Property excluding Livestock, Pedigreed Animals, Game and Ostriches

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

#### 2. Livestock, Pedigreed Animals, Game and Ostriches

The Company shall indemnify the Insured in respect of loss resulting from death of the insured property described in the Schedule, the property of the Insured whilst in transit in or on any means of conveyance by road caused by any accident or misfortune not otherwise excluded.

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

### INSURED PERILS

#### 1. Property excluding Livestock, Pedigreed Animals, Game and Ostriches

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

#### 2. Livestock, Pedigreed Animals, Game and Ostriches

The Company shall indemnify the Insured up to the limit of indemnity as stated in the Schedule against the pedigreed animals, all livestock, game and ostriches resulting from death of such pedigreed animal, all livestock, game and ostriches, the property of the insured, directly caused by fire, lightning, flood, collision and overturning of the conveyance including loading and unloading of the cargo.

## SPECIFIC CONDITIONS

#### 1. First Amount Payable (Defined Events 1 and 2)

The Company shall not be liable for:

(a) the first 10% (ten percent) or R500 (five hundred rand) whichever is the greater of each and every claim

or

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

#### 2. Period of transit

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



- (a) temporary storage whilst on quays and/or wharves and
- (b) warehouses and/or sheds at such final destination whilst awaiting shipment for a period not exceeding 7 days

PROVIDED THAT:

cover in terms of this Section will cease the moment such goods

- (i) cross the ship's rail (Free on Board) or
- (ii) enter the aircraft perimeter to the loading space (Free on Board).

### 3. Refusal of receipt

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

PROVIDED THAT:

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

### 4. Other means of conveyance

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

PROVIDED THAT:

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

### 5. Breakdown of means of conveyance

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

### 6. Livestock, Pedigreed Animals, Game and/or Ostriches

At the time of commencement of the transit in respect of any livestock, pedigreed animals, game and/or ostriches all such livestock, pedigreed animals, game and/or ostriches must be in good condition, perfectly healthy and free of any injuries.

### 7. 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 R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

### 8. Fire Extinguishing Charges

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

PROVIDED THAT:

the maximum amount payable under this Specific Condition shall not exceed R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one event

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| SPECIFIC EXCEPTIONS |
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This Section does not cover:

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

PROVIDED THAT:

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

- (m) loss of or damage to the insured property consequent upon hijacking or any attempt thereat;

- (n) trampling or suffocation resulting in death or destruction of livestock, pedigreed animals, game and/or ostriches whilst in transit in or on any means of conveyance;
- (o) breakdown of refrigeration equipment;
- (p) detention, confiscation or requisition by customs or other officials or authorities;
- (q) 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 to or exit from.

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| <b>ENDORSEMENTS AND EXTENSIONS APPLICABLE IF SO STATED IN THE SCHEDULE</b> |
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**1. ALL RISKS COVER (Not applicable to Livestock, Pedigreed Animals, Game or Ostriches)**

In consideration of the payment of an additional premium the wording under the heading "Insured Perils" is amended to read as follows:

"The Company shall indemnify the Insured up to the limit of liability stated in the Schedule in the event of loss of or destruction of or damage (but excluding any loss of or destruction of or damage consequent upon hijacking) to the insured property including the containers or covers in which the cargo is packed including damage resulting from loading or unloading of the cargo caused by any accident or misfortune not otherwise excluded".

PROVIDED THAT

the Insured shall be liable for the first 10% (ten percent) or R500 (five hundred rand) whichever is the greater of each and every claim or the first amount percentage and/or First Amount Payable stated in the Schedule.

**2. HIJACKING COVER**

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

PROVIDED THAT:

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

**3. RIOT AND STRIKE**

In consideration of the payment of an additional premium and subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this Section is extended to cover 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

## BUSINESS ALL RISKS

### DEFINED EVENTS

The Company will indemnify the Insured for:

- (i) loss of or damage to the property stated in the Schedule belonging to the Insured caused by any accident or misfortune arising from any fortuitous circumstances not excluded in terms of any exception which is applicable to this Policy in general within the territorial limits
- (ii) loss of or damage to the property of guests and/or clients not otherwise insured, engaged in any activities relating to sight seeing drives or organised tours relating to the winemaking processes or wine tasting or any activities of a similar nature or accommodating commercial hunting and game viewing activities on or in the immediate vicinity of the premises insured caused by any accident or misfortune arising from any fortuitous circumstances not excluded in terms of any exceptions which is applicable to this Policy in general
- (iii) cost and expenditure necessarily and reasonably incurred by the Insured and approved by the Company for the purpose of destruction, disposal and/or return costs of wine and related products (or any part thereof) the property of the Insured described in terms of Item 1 of the Accidental Damage – Wine Section of this Policy, from anywhere in the world to the Insured's premises consequent upon damage by any peril not otherwise specifically excluded applicable to Item 1 – Wine and Related Products (Basis 3 only) of Defined Events 4.3 of the Accidental Damage – Wine Section of the Policy.

### PROVIDED THAT:

- (a) the liability of the Company in terms of Defined Events (i) and (ii) above shall in no case exceed in respect of each and every item the sum insured shown against such item stated in the Schedule
- (b) the value of the property in respect of Defined Event (ii) above shall be limited to a maximum amount of R3 000 (three thousand rand) any one guest or client and R25 000 (twenty five thousand rand) in the aggregate any one event.
- (c) the insured shall be responsible for the First Amount Payable stated in Specific Condition 2 of this Section

### TERRITORIAL LIMITS

The Territorial Limits of this Section shall be anywhere in the World.

## SPECIFIC EXCEPTIONS

This Section does not apply to and does not cover:

- (a) depreciation or loss or damage arising from wear and tear, dents, scratches or occasioned by moth, vermin, insects, damp, mildew, rust or any process of heating, drying, cleaning, dyeing, alteration or repair to which the property is subjected;
- (b) loss or damage by theft or attempt thereat or fraud of any principal, partner, director or any person in the employ or service of the Insured whether acting alone or in collusion with others;
- (c) breakage of articles of a brittle nature unless such breakage is caused by burglars, thieves or fire;
- (d) loss by leakage of any liquid from the receptacle in which it is contained;
- (e) deeds, bonds, coins, money, securities, stamps, stamp collections, plans, patterns, designs, documents of title, contracts or other documents, business books or manuscripts unless specifically specified in the Schedule;
- (f) damage to any working machine or part thereof as a result of electronic, electrical or mechanical breakdown failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded;

- (g) loss of or damage to property resulting from or caused by theft 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;

PROVIDED THAT:

entry or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit;

- (h) consequential loss of any nature whatsoever;
- (i) inherent vice or defect regarding the insured property;
- (j) loss or damage for which provision is made in any guarantee or service contract, in any contract of purchase or lease agreement or hire purchase or financing agreement or in any other agreement of whatever nature regarding the insured property;
- (k) loss of or damage to irrigation pipes, electrical motors and other pumping equipment which are situated below the normal flood levels of rivers and streams;
- (l) loss of or damage to wine and related products;
- (m) detention, confiscation or requisition by customs or other officials or authorities;
- (n) loss of or damage to goods consigned under a bill of lading.

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| <b>SPECIFIC CONDITIONS</b> |
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**1. UNDERINSURANCE (Applicable to non-specified items only)**

If the total value of property hereby insured which is not separately and individually specified shall, in the event of loss or damage at the time of the happening to such property, be collectively of greater value than the sum insured thereon, then the Insured shall be considered as being his own insurer for the difference and shall bear a ratable share of the loss accordingly. Every item, if more than one, of this Section shall be separately subject to this Condition.

**2. (i) COMPULSORY FIRST AMOUNT PAYABLE – FOLLOWING THEFT FROM VEHICLE**

The Insured shall be responsible for the First Amount Payable stated hereunder in respect of each and every event resulting from theft accompanied by visible violent and forcible entry to or exit from

- (a) the boot or compartment (cubbyhole) of any completely closed and securely locked vehicle or from any closed and secured locked building housing such vehicle -  
10% (ten percent) or R200 (two hundred rand) whichever is the greater;
- (b) the interior or under a canopy of any vehicle excluding as stated in (a) above -  
20% (twenty percent) of claim or R500 (five hundred rand) whichever is the greater.

**(ii) COMPULSORY FIRST AMOUNT PAYABLE – OTHER THAN THEFT FROM VEHICLE STATED IN 2.(i)(a) and (b) ABOVE**

The Insured shall be responsible for the Compulsory First Amount Payable except a claim resulting from fire, lightning, explosion or theft (as defined in terms of 2(i) (a) and (b) above) stated hereunder in respect of each and every event

- (a) glass bottles of milking machines -  
10% (ten percent) of claim minimum R250 (two hundred and fifty rand);
- (b) irrigation pipes and pumps excluding pipelines, cables, computerized irrigation system or pumps forming part of irrigation systems on wheels and center pivots -

10% (ten percent) of claim minimum R350 (three hundred and fifty rand);

- (c) nitrogen insemination flasks and contents -  
10% (ten percent) of claim minimum R500 (five hundred rand);
- (d) all other specified property -  
5% (five percent) of claim minimum R 250 (two hundred and fifty rand)
- (e) the property of guests or clients -  
10% (ten percent) of claim minimum R 250 (two hundred and fifty rand) per guest or client any single event
- (f) destruction, disposal and/or return costs to damaged goods –  
10% (ten percent) of claim minimum R1 000 (one thousand rand)
- (g) pipelines, cables, computerized irrigation systems and pumps (whether above or underground) of irrigation systems on wheels and center pivots –
  - (i) 10% of claim minimum R2 500 (two thousand five hundred rand)
  - (ii) any subsequent loss or damage to the same unit/system within a period of 12 months due to theft or any attempt there at only  
R10 000 (ten thousand rand) payable in addition to any other First Amount Payable

or the amount stated in the Schedule in respect of 2(ii)(a), (b), (c), (d), (e), (f), (g)(i) and (ii) whichever is the greater.

### 3. LIQUID NITROGEN INSEMINATION FLASKS

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

PROVIDED THAT:

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

### 4. REPLACEMENT VALUE

In the event of the property insured under this Section being lost, destroyed or damaged, the basis upon which the amount payable under this Section is to be calculated shall be the cost of replacing or reinstating property of the same kind or type but not superior to or more extensive than the insured property when new, subject to all the other terms and conditions of the Policy except in so far as they may be varied hereby.

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| EXTENSIONS |
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#### 1. INCREASE IN COST OF WORKING (If stated in the Schedule to be included)

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

#### 2. RIOT AND STRIKE (If stated in the schedule to be included)

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

- (i) civil commotion, labour disturbances, riot, strike or lockout;

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

Provided that this Extension does not cover:

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

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



## ACCIDENTAL DAMAGE - OTHER THAN WINE

### DEFINED EVENTS (i)

The Company shall indemnify the Insured in respect of:

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

The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum stated in the Schedule and notwithstanding General Condition 5 of this Policy shall not be called into contribution for any Defined Event for which more specific insurance has been arranged.

### SPECIFIC EXCEPTIONS

The Company shall not be liable for:

- (a) any peril excluded or circumstance precluded from any insurance available from the Company at inception hereof or for any excess payable by the Insured under such insurance or for any reduction of amount payable under any claim due to the application of underinsurance;
- (b) more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection;
- (c) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process;
- (d) unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information;
- (e) loss of or damage to insured property caused by:
  - (i) any fraudulent scheme, trick, device or false pretence practised on the Insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the Insured;
  - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;
  - (iii) breakdown, electrical, electronic and/or mechanical derangement;
  - (iv) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
  - (v) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;
  - (vi) denting, chipping, scratching or cracking not affecting the operation of the item;
  - (vii) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light;
- (f) settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property;

- (g) (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container;
- (ii) loss of or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
- (h) failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant;
- (i) collapse of plant and machinery, buildings and structures (other than shelving or storage platforms).

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| DEFINITIONS |
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## 1. Insured Property

Insured property shall mean any tangible property belonging to the Insured or held in trust or on commission for which they are responsible other than:

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

unless stated in the Schedule to be insured.

## DEFINED EVENTS (ii)

### Discharge or leakage (If stated in the Schedule to be included)

Accidental physical loss of or physical damage to the insured property caused by discharge or leakage from tanks, pipes or apparatus of chemicals, oils, liquids, fluids, gases or fumes (including loss of such chemicals, oils, liquids, fluids, gases or fumes) other than loss or damage resulting from wear and tear or other 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 and excludes any expenses in connection with the production of any information contained therein or the value of such information to the Insured.

### 2. ADDITIONAL COSTS

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

- (a) any costs incurred due to the necessity to comply with building or other regulations of any public authority in repair or reinstatement following an insured event

PROVIDED THAT:

such costs do not include;

- (i) anything for which notice had been served on the Insured prior to the insured event;
- (ii) anything connected with undamaged property or undamaged portions of property;
- (iii) rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the insured property;
- (b) fees for the examination of municipal or other plans;
- (c) costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding;
- (d) the professional fees of architects, quantity surveyors and other consultants;

and the sum insured on all insured property includes;

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

but the Company shall not be liable under (a), (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay nor under (d) for any expenses in connection with the preparation of the Insured's claim.

Further the Company shall not be liable under (c) for any costs or expenses;

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

### 3. MORTGAGEES

From the date of notification, the Company accepts the interest of a mortgagee or others with an insurable interest in the insured property and will not prejudice such interest due to the act or omission of the mortgagor without the mortgagee's knowledge

PROVIDED THAT:

the mortgagee advises the Company as soon as such act or omission comes to his/her knowledge and agrees to be responsible for any additional premium resulting from the Company assuming any increased hazard.

4. RAILWAY AND OTHER SUBROGATION CLAUSE

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

5. TENANTS

The Insured shall not be prejudiced by the act of any tenant in premises he/she owns or in which he/she is a co-tenant or of the owner of any premises of which he/she is a tenant

PROVIDED THAT:

the Company is notified as soon as he/she becomes aware of such act and he/she pays any additional premium resulting from the Company assuming any additional hazard.

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| MEMORANDA |
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1. UNDERINSURANCE (If stated in the Schedule to be included)

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

2. REINSTATEMENT (If stated in the Schedule to be included)

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

PROVIDED THAT:

- (a) the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment, beyond the amount that would have been payable if this Memorandum had not been incorporated in this Section shall be made;
- (b) the Company shall not be liable for any payment beyond the amount that would have been payable if this Memorandum had not been incorporated in this Section, until expenditure has been incurred by the Insured in replacing or reinstating the lost or damaged insured property;
- (c) if, at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, the Insured shall be considered their own insurer for the difference and shall bear a ratable share of the loss accordingly. Each item, if more than one, to which this Memorandum applies shall be separately subject to this provision;
- (d) this Memorandum shall not apply if:
  - (i) the Insured fail to intimate to the Company within 6 (six) months of the insured event or such further time as the Company may allow in writing their intention to replace or reinstate the lost or damaged insured property;
  - (ii) the Insured are unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

3. **FIRST LOSS UNDERINSURANCE (If stated in the Schedule to be included)**

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

4. **FIRST AMOUNT PAYABLE**

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

PROVIDED THAT:

the Insured shall be responsible for an amount of at least R500 (five hundred rand) or the amount stated in the Schedule whichever is the greater.

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| ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE |
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1. **EXCLUDED PROPERTY**

It is hereby declared and agreed that the property listed in the Schedule is added to the excluded property in the Definition of Insured Property

## ACCIDENTAL DAMAGE - WINE

### DEFINED EVENTS (i)

The Company shall indemnify the Insured in respect of:

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

The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum stated in the Schedule and notwithstanding General Condition 5 of this Policy shall not be called into contribution for any Defined Event for which more specific insurance has been arranged.

### SPECIFIC EXCEPTIONS

The Company shall not be liable for:

- (a) any peril excluded or circumstance precluded from any insurance available from the Company at inception hereof or for any excess payable by the Insured under such insurance or for any reduction of amount payable under any claim due to the application of underinsurance;
- (b) more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection;
- (c) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process;
- (d) unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information;
- (e) loss of or damage to insured property caused by:
  - (i) any fraudulent scheme, trick, device or false pretence practised on the Insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the Insured;
  - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;
  - (iii) breakdown, electrical, electronic and/or mechanical derangement;
  - (iv) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
  - (v) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;
  - (vi) denting, chipping, scratching or cracking not affecting the operation of the item;
  - (vii) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light;
- (f) settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property;

- (g) (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container;
- (ii) loss of or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
- (h) failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant;
- (i) collapse of plant and machinery, buildings and structures (other than shelving or storage platforms).

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| DEFINITIONS |
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#### 1. Insured Property

Insured property shall mean any tangible property belonging to the Insured or held in trust or on commission for which they are responsible other than:

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

unless stated in the Schedule to be insured.

#### DEFINED EVENTS (ii)

##### Discharge or leakage (If stated in the Schedule to be included)

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

**SPECIAL PROVISIONS WITH REFERENCE TO WINE AND RELATED PRODUCTS INCLUDING WINE TANKS**

Notwithstanding anything contained in Defined Event (i) of this Section to the contrary cover is amended as follows but only applicable to:

**1. INSURED PROPERTY**

Item 1 On stock of wine and related products, bottled wine and wine in tap wine casks in boxes the property of the Insured and/or kept in trust and/or on commission and/or for which the Insured is liable

Item 2 Loss of or damage to metal and/or fibreglass wine tanks and/or wooden vats and/or tank portals

Item 3 Additional claims preparation costs

The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum applicable to each item stated in the Schedule and notwithstanding General Condition 5 of the Policy shall not be called into contribution for any Defined Event for which more specific insurance has been arranged.

**2. SITUATION OF PREMISES**

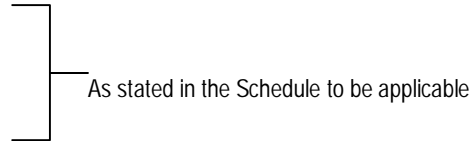
All premises, the property of the Insured, occupied or used for the purpose of the business situated anywhere in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

**3. BASIS OF COVER ITEM 1**

BASIS 1 or

BASIS 2 (BASIS 1 included) or

BASIS 3 (BASIS 1 AND 2 included)



**4. DEFINED EVENTS**

**4.1 ITEM 1. WINE AND RELATED PRODUCTS – BASIS 1**

4.1.1 Accidental physical loss of or damage to the insured property at or about the insured premises only consequent upon:

(i) accidental leakage and/or

(ii) contamination of wine and related products only as a result of

(a) accidental breakage of and/or damage to portals and accessories of wine vats and/or tanks,

(b) accidental bursting, breakage and/or damage to or of separators and accessories, wine vats and/or tanks and/or pipe connections and pipes of such wine vats and/or tanks

(iii) loading and unloading at the Insured's premises only.



#### 4.1.2 SPECIFIC EXCEPTIONS - BASIS 1

Loss and/or damage as a result of the under-mentioned is not covered by this insurance:

- (i) loss by evaporation
- (ii) consequential loss of any kind whatsoever, wear and tear, mechanical or electrical breakdown, failure, breakage or any other occurrence insurable in terms of a Machinery Breakdown Policy or a Deterioration of Stock following a Machinery Breakdown Policy or a Loss of Profit Policy following a Machinery Breakdown Policy
- (iii) wine in transit except whilst being transported by forklifts at or about the Insured's premises
- (iv) theft
- (v) loading and unloading other than at the premises of the Insured
- (vi) deterioration or losses as a result of unhygienic and/or unacceptable preparation methods contradictory to and not in accordance with standard winemaking practices.

PROVIDED THAT:

any Specific Exceptions applicable to this Section of the Policy not (directly or indirectly) effected by the Special Provisions with reference to Wine and Related Products including Wine Tanks, shall still apply.

#### 4.2 ITEM 1. WINE AND RELATED PRODUCTS - BASIS 2

4.2.1 Accidental physical loss of or damage to the insured property at or about the insured premises only consequent upon:

- (i) accidental leakage and/or
- (ii) contamination of wine and related products only as a result of
  - (a) accidental breakage of and/or damage to portals and accessories of wine vats and/or tanks,
  - (b) accidental bursting, breakage and/or damage to or of separators and accessories, wine vats and/or tanks and/or pipe connections and pipes of such wine vats and/or tanks,
  - (c) accidental pumping together of wine and related products
- (iii) loading and unloading at the insured premises only.

#### 4.2.2 SPECIFIC EXCEPTIONS – BASIS 2

Loss and/or damage as a result of the under-mentioned is not covered by this insurance:

- (i) loss by evaporation
- (ii) consequential loss of any kind whatsoever, wear and tear, mechanical or electrical breakdown, failure, breakage or any other occurrence insurable in terms of a Machinery Breakdown Policy or a Deterioration of Stock following a Machinery Breakdown Policy or a Loss of Profit Policy following a Machinery Breakdown Policy
- (iii) wine in transit except whilst being transported by forklifts at or about the Insured's premises
- (iv) theft
- (v) loading and unloading other than at the premises of the Insured

- (vi) deterioration or losses as a result of unhygienic and/or unacceptable preparation methods contradictory to and not in accordance with standard winemaking practices
- (vii) contamination other than accidental pumping together of wine and related products or leakage as a result of accidental breakage of equipment as described in terms of Basis 1 under the heading "Defined Events" of this Section

PROVIDED THAT:

any Specific Exceptions applicable to this Section of the Policy not (directly or indirectly) effected by the Special Provisions with reference to Wine and Related Products including Wine Tanks, shall still apply.

#### 4.3 ITEM 1 - WINE AND RELATED PRODUCTS - BASIS 3

4.3.1 Accidental physical loss of or damage to the insured property at or about the insured premises only consequent upon and including:

- (i) accidental leakage and/or
- (ii) contamination of wine and related products only as a result of
  - (a) accidental breakage of and/or damage to portals and accessories of wine vats and/or tanks,
  - (b) accidental bursting, breakage and/or damage to or of separators and accessories, wine vats and/or tanks and/or pipe connections and pipes of such wine vats and/or tanks,
  - (c) accidental pumping together of wine and related products,
  - (d) oxidation, change in color and/or flavor, fermentation but excluding fermentation of Sulphurated Sweet must,
- (iii) loading and unloading at the insured premises only
- (iv) breakage of bottles
- (v) breakage of tank portals and tanks
- (vi) accidental breakage of bottled wine
- (vii) loss caused as a result of fermentation of Sulphurated Sweet must

PROVIDED THAT:

- (a) the SO<sub>2</sub> may not be less than 1200mg/l,
- (b) storage of sweet must may only occur in stainless steel tanks with 316 stainless steel domes, fibreglass tanks and/or concrete and/or soft steel tanks coat covered on the inside,
- (c) such storage tanks must at all times be filled to full capacity
- (viii) disposal as a result of a health hazard or on instruction of the Government or Public or Local authority or institution subject to the prior consent of the Company.

#### 4.3.2 SPECIFIC EXCEPTIONS- BASIS 3

Loss and/or damage as a result of the under-mentioned is not covered by this insurance:

- (i) loss by evaporation

- (ii) consequential loss of any kind whatsoever, wear and tear, mechanical or electrical breakdown, failure, breakage or any other occurrence insurable in terms of a Machinery Breakdown Policy or a Deterioration of Stock following a Machinery Breakdown Policy or a Loss of Profit Policy following a Machinery Breakdown Policy
- (iii) wine in transit except whilst being transported by forklifts at or about the insured premises
- (iv) theft
- (v) loading and unloading other than at the premises of the Insured
- (vi) deterioration or loss as a result of
  - (a) unhygienic and/or unacceptable preparation methods contradictory to and not in accordance with standard winemaking practices
  - (b) drag fermentation
- (vii) contamination in tap wine-casks in boxes
- (viii) prepared grape juice and sweet reserves will not be covered if fermentation occurs thereafter excluding fermentation of Sulphurated Sweet must
- (ix) loss or damage to wine and related products attributable to substance(s) applied to grapes prior to harvesting contradictory to and not in accordance with the product directions for use of such substance(s)
- (x) fluctuations in atmospheric or climatic conditions
- (xi) change in temperature

PROVIDED THAT:

any Specific Exceptions applicable to this Section of the Policy not (directly or indirectly) effected by the Special Provisions with reference to Wine and Related Products including Wine Tanks, shall still apply.

#### 4.4 ITEM 2 - WINE TANKS

Accidental physical loss of or damage to metal and/or fibreglass wine tanks and/or wooden vats and/or tank portals

PROVIDED THAT:

any Specific Exceptions applicable to this Section of the Policy not (directly or indirectly) effected by the Special Provisions with reference to Wine and Related Products including Wine Tanks, shall still apply.

Notwithstanding anything contained in Defined Event (ii) of this Section to the contrary cover is amended as follows:

### 5. DEFINED EVENTS

#### 5.1 ITEM 4 – DISCHARGE OR LEAKAGE

- 5.1.1 Accidental physical loss of or damage to the insured property (surrounding property included) at or about the premises, not otherwise insured or for which insurance is not available and described (whether incorporated in this Policy or not) in terms of any other Section (other than Business All Risks – Wine) listed in the Index of this Policy, caused by discharge or leakage from tanks, pipes or apparatus of chemicals, oils, liquids, fluids, wine and related products, gases or fumes (including loss of such chemicals, oils, fluids, gases or fumes but excluding wine and related products) other than loss or damage resulting from wear and tear or other gradually operating causes of the tanks, pipes or apparatus

PROVIDED THAT:

any Specific Exceptions applicable to this Section of the Policy not (directly or indirectly) effected by the Special Provisions with reference to Wine and Related Products including Wine Tanks, shall still apply.

PROVIDED FURTHER THAT:

the Insured shall be responsible for the First Amount Payable stated in terms of point 7.3 (a) and 7.3 (b) of the Special Provisions applicable to this Section.

The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum(s) applicable to the Defined Event stated below and notwithstanding General Condition 5 of the Policy shall not be called into contribution for any Defined Event for which specific insurance has been arranged:

1. Loss of or damage to property caused by discharge or leakage of wine and related products only shall be limited to a maximum of R1 000 000 (one million rand) or the amount stated in the Schedule, whichever is the greater.
2. Loss of or damage to property caused by discharge or leakage of any other liquids and fluids as defined (including loss thereof) if stated in the Schedule to be included, shall be limited to the amount stated in the Schedule.

## 6. VALUATION

The extent of loss or damage with regard to wine and related products claims will be determined as follows:

### ITEM 1: WINE AND RELATED PRODUCTS

- (a) fixed value(s) per specific type/variety of wine(s) as determined by the Insured and contained in an existing written sales agreements of which proof must be submitted to the Company if so required

PROVIDED THAT:

bottled wine will include the cost of bottling and, where applicable, the cost of labeling and all relevant costs

- (b) in the absence of any existing written sales agreement prices shall be in force as compiled and made available on a regular basis by SAWIS. The said prices are based on information supplied by the wine industry in respect of actual bulk sales contained within a framework of prices in accordance with the quality applicable to specific type/variety of wines

PROVIDED THAT:

- (i) (where applicable) the cost of bottling, labeling, packing and all relevant costs be added to the prices stated above
- (ii) regarding white wines only, the prices stated above shall apply for the current as well as the first consecutive season only
- (c) in the absence of any existing written sales agreement regarding all type/variety of white wines at any time consequent upon the period stated in (b) (ii) above the local price for distilling wine shall apply

PROVIDED FURTHER THAT:

costs relating to Customs and Excise duty (where applicable) will be brought into calculation in determining the extent of a claim provided that such costs are included in terms of the sum insured applicable to wine and related products stated in the Policy Schedule.

7. FIRST AMOUNT PAYABLE

The Insured shall be responsible for the First Amount Payable stated hereunder in respect of each and every claim:

| 7.1 | Item 1 | Wine and related products  | First Amount Payable        |
|-----|--------|--|-----------------------------|
|     | (a)    | Leakage and/or contamination of wine and related products only as a result of accidental breakage of and/or damage to portals and accessories of wine vats and/or tanks, accidental bursting, breakage, and/or damage to or of separators and accessories, wine vats and/or tanks and/or pipe connections and pipes of such wine vats and/or tanks | 10% of claim minimum R2 500 |
|     | (b)    | Accidental leakage excluding causes stated in point 7.1 (a) above and/or pumping together of wine and related products   | 10% of claim minimum R2 500 |
|     | (c)    | Fermentation of Sulphurated Sweet must   | 15% of claim minimum R5 000 |
|     | (d)    | Any other loss or damage excluding causes stated in points 7.1 (a) and/or 7.1 (b) above  | 20% of claim minimum R5 000 |
|     | (e)    | Accidental breakage of bottles and/or bottled wine and related products  | R500                        |
| 7.2 | Item 2 | Tanks, wooden vats and tank portals  | 10% of claim minimum R1 000 |
| 7.3 | Item 4 | Discharge or leakage of:   |                             |
|     | (a)    | Wine and related products (Damage to surrounding property only)  | 5% of claim minimum R1 000  |
|     | (b)    | All other liquids and fluids as defined (Damage to property including loss of such liquids and fluids but excluding wine and related products)   | 10% of claim minimum R1 000 |

8. SPECIFIC CONDITION

1. Limitation of cover

Cover on wine and related products as insured in terms of item 1 of this Section will be limited to a maximum of the percentage of the claim stated in the Schedule or the sum insured whichever is the lesser and the Insured shall be considered as being their own insurer for loss or damage in excess of such amount.

Notwithstanding the limitation of cover stated above the First Amount Payable as defined in terms of 7.1(a) to (e) above shall still apply.

2. Inspections must be carried out periodically to all wine tanks to ensure that the contents of such tanks are filled to full capacity at all times.
3. Cover in terms of this Section of the Policy will at all times be subject to compliance and adherence to the standard winemaking maintenance and nurturing practices and complete records and proof of compliance to such winemaking standards and nurturing practices must be kept at all times and submitted to the Company if so required.
4. it is guaranteed that wine and related products intended for the export market must under all circumstances comply with the statutory and/or legal regulations of the country to which it is exported to.

9. NO CLAIM DISCOUNT STRUCTURE (BASIS 1, 2 and 3)

Discounts on wine including tanks as described in terms of items 1 and 2 of this Section, will be granted as follows, based on the preceding amount of claim free years of the said item(s) applicable to current business or the preceding amount of claim free years applicable to the specific Item of which proof must be submitted.

| PERIOD OF INSURANCE              | CLAIM FREE DISCOUNT |       |
|----------------------------------|---------------------|-------|
|                                  | WINE                | TANKS |
| Less than one year               | 0%                  | 0%    |
| Previous year                    | 10%                 | 10%   |
| Previous two consecutive years   | 20%                 | 20%   |
| Previous three consecutive years | 30%                 | 30%   |

If a claim occurs during any insurance period whilst a no claim bonus discount is in place, the current discount applicable on such item will be scaled down with a minimum of 10 percentage points for the ensuing period of insurance.

CLAUSES AND EXTENSIONS

1. RESTRICTED COVER

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

2. ADDITIONAL COSTS

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

- (a) any costs incurred due to the necessity to comply with building or other regulations of any public authority in repair or reinstatement following an insured event

PROVIDED THAT:

such costs do not include;

- (i) anything for which notice had been served on the Insured prior to the insured event;
  - (ii) anything connected with undamaged property or undamaged portions of property;
  - (iii) rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the insured property;
- (b) fees for the examination of municipal or other plans;
  - (c) costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding;
  - (d) the professional fees of architects, quantity surveyors and other consultants;

and the sum insured on all insured property includes;

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

but the Company shall not be liable under (a), (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay nor under (d) for any expenses in connection with the preparation of the Insured's claim.

Further the Company shall not be liable under (c) for any costs or expenses;

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

### 3. MORTGAGEES

From the date of notification, the Company accepts the interest of a mortgagee or others with an insurable interest in the insured property and will not prejudice such interest due to the act or omission of the mortgagor without the mortgagee's knowledge

PROVIDED THAT:

the mortgagee advises the Company as soon as such act or omission comes to his/her knowledge and agrees to be responsible for any additional premium resulting from the Company assuming any increased hazard.

### 4. RAILWAY AND OTHER SUBROGATION

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

### 5. TENANTS

The Insured shall not be prejudiced by the act of any tenant in premises he/she owns or in which he/she is a co-tenant or of the owner of any premises of which he/she is a tenant

PROVIDED THAT:

the Company is notified as soon as he/she becomes aware of such act and he/she pays any additional premium resulting from the Company assuming any additional hazard.

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| <b>MEMORANDA</b> |
|------------------|

#### 1. UNDERINSURANCE (If stated in the Schedule to be included)

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

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

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

PROVIDED THAT:

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

- (b) the Company shall not be liable for any payment beyond the amount that would have been payable if this Memorandum had not been incorporated in this Section, until expenditure has been incurred by the Insured in replacing or reinstating the lost or damaged insured property;
- (c) if, at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, the Insured shall be considered their own insurer for the difference and shall bear a ratable share of the loss accordingly. Each item, if more than one, to which this Memorandum applies shall be separately subject to this provision;
- (d) this Memorandum shall not apply if:
  - (i) the Insured fail to intimate to the Company within 6 (six) months of the insured event or such further time as the Company may allow in writing their intention to replace or reinstate the lost or damaged insured property;
  - (ii) the Insured are unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

3. FIRST LOSS UNDERINSURANCE (If stated in the Schedule to be included)

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

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|--|
| ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE |
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1. EXCLUDED PROPERTY

It is hereby declared and agreed that the property listed in the Schedule is added to the excluded property in the Definition of insured property.



## PUBLIC LIABILITY

### DEFINED EVENTS

#### CLAIMS MADE BASIS

Damages which the Insured shall become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury), or accidental loss of or physical damage to tangible property (hereinafter termed damage) which occurred in the course of or in connection with the business within the territorial limits and on or after the retroactive date shown in the Schedule, and which results in a claim or claims first being made against the Insured in writing during the period of insurance.

#### THE LIMITS OF INDEMNITY

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

#### TERRITORIAL LIMITS

Anywhere in the world but not in connection with:

- (i) any business carried on by the Insured at or from premises outside  
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 Company will not indemnify the Insured in respect of:

1. liability consequent upon injury to any person employed by the Insured under a contract of service or apprenticeship and arising from and in the course of such employment by the Insured
2. damage to:
  - (a) (i) property belonging to the Insured
  - (ii) property in the custody or control of the Insured or any employee of the Insured
  - (b) that part of any property on which the Insured are or have been working if such damage results directly from such work
3. liability consequent upon injury or damage:
  - (a) caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the Insured
  - (b) caused by or through or in connection with the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft, locomotive or rolling stock, provided that this Specific Exception shall not relieve the Company of liability to indemnify the Insured in respect of liability consequent upon injury or damage

caused or arising beyond the limits of any carriageway or thoroughfare in connection with the loading or unloading of any vehicle including goods transported thereby and falling therefrom, insofar as such injury or damage is not insured by any other insurance Policy or Section

- (c) caused by or through or in connection with:
    - (i) the refueling of aircraft
    - (ii) the ownership, possession, maintenance, operation or use of aircraft or an airline
    - (iii) the ownership, hire or leasing of any airport, airstrip or helicopter pad
  - (d) caused by or through or in connection with goods or products (including containers and labels) sold or supplied and happening elsewhere than on premises occupied by the Insured other than food and drink supplied incidentally for consumption on the premises
  - (e) occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work
4. damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure
  5. liability assumed by agreement (other than under the Insured's own standard conditions of contract) unless liability would have attached to the Insured notwithstanding such agreement
  6. (a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this Specific Exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence
  - (b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.

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

7. fines, penalties, punitive, exemplary or vindictive damages
8. (a) damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland
- (b) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in 8(a) above
9. any claim arising from an event known to the Insured
  - (a) which is not reported to the Company in terms of General Condition 7
  - (b) prior to inception of this Section
10. any claim (in the event of cancellation or non-renewal of this Section) not first made in writing against the Insured within the 48 (forty eight) month period (or extended period in respect of minors) as specified in Specific Condition 2
11. the Basic First Amount Payable (Not applicable to Extensions 12, 15, 16 and 22 to 31)

the Insured shall be responsible for the first R1000 (one thousand rand) or the First Amount Payable as stated in the Schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause shall apply to claims arising from damage and shall apply to costs and expenses incurred by the Insured

12. liability consequent upon injury or damage directly or indirectly caused by or in connection with or arising from or attributable to:
  - (a) explosives or the explosion of a boiler
  - (b) flood including the bursting of a dam wall
  - (c) fire and explosion
13. attachment or the diverting of water by the Insured or any person acting on behalf of the Insured
14. damage to sugar cane, plantations and forests caused by spread of fire
15. loss or damage and/or deterioration caused by and/or arising during land, air or sea voyage
16. malicious tampering of products
17. all claims for, and arising out of changes in the characteristics of wine and related products

PROVIDED THAT:

the term "changes in the characteristics of wine and related products" shall include (but not be limited to) change in color, texture, clarity or taste due to climatic changes of temperature variations during storage, handling, shipping or transporting of such products.

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|------------|
| MEMORANDUM |
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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".

|                     |
|---------------------|
| SPECIFIC CONDITIONS |
|---------------------|

1. Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General Condition 7 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Company.
2. In the event of cancellation or non-renewal of the Policy
  - (a) any claim resulting from a reported event, first made in writing against the Insured during the 48 (forty eight) months immediately following cancellation or non-renewal shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of 48 (forty eight) months will be extended until the expiry of 12 (twelve) months after the attainment of majority by the claimant
  - (b) the Insured may report an event in terms of General Condition 7 to the Company for up to 15 (fifteen) days after cancellation or non-renewal

PROVIDED THAT:

- (i) such event occurred during the period of insurance
- (ii) any subsequent claim first made in writing against the Insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 (forty eight) month period specified in 2(a) above.

3. Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the Insured
- (a) on the date that the event was reported by the Insured in terms of General Condition 7
  - or
  - (b) if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.

4. Commercial Hunting & Game Viewing Activities

It is a condition that indemnity in terms of this Section pertaining to any form of commercial hunting and/or game viewing activities shall be subject to the following, that:

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

**SPECIAL PROVISOR:**

It is a condition precedent to liability that the Insured at the time of the occurrence giving rise to a claim in terms of this Specific Conditions also complies with all requirements contained in Condition 4(i), (ii), (iii), (iv) and (v) above.

5. Disclaimer/Indemnification

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

- (i) all correspondence, notices and disclaimers must be conducted and displayed in at least two official languages of the the Republic of South Africa and an interpreter must, on request of any client, hunter, guest or other participating party, be available at all times
- (ii) the indemnity (disclaimer) wording must be approved by and lodged with the Company
- (iii) the legal agreement (disclaimer) between the Insured and his/her/their client(s) shall, prior to the commencement of any commercial hunting and/or game viewing activities, be duly signed by both parties and shall be placed on record
- (iv) under no circumstances may any firearms be aimed at a fellow hunter, client or any other person
- (v) such legal agreement (disclaimer) shall be clearly displayed and be visibly positioned at the entrances of the Insured's premises and as such much contain all conditions as stated in Specific Condition 4 above.

## 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 7 for a period to be agreed, but in no circumstances exceeding 36 (thirty six) months (hereinafter referred to as extended reporting period)

PROVIDED THAT:

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

### 2. ADDITIONAL INSURED

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

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

PROVIDED THAT:

- (i) the aggregate liability of the Company is not increased beyond the limits of indemnity stated in the Schedule

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

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

### 3. SECURITY FIRMS

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

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

### 4. CROSS LIABILITIES

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

### 5. TOOL OF TRADE

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

### 6. EMPLOYEES' AND VISITORS' PROPERTY

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

### 7. LIABILITY BY AGREEMENT

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

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

#### 8. UNATTACHED TRAILERS

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

- (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.

#### 9. EMERGENCY MEDICAL EXPENSES

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

#### 10. CAR PARKS

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

#### 11. TENANT'S LIABILITY

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

#### 12. PRODUCTS LIABILITY

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

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

PROVIDED THAT:

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

#### ADDITIONAL SPECIFIC EXCEPTIONS (Applicable to Products Liability Extension)

This Extension does not cover liability:

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

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

### 13. LEGAL DEFENCE COSTS

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

PROVIDED THAT:

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

### THE STATUTES

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

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

The Electricity Act No. 41 of 1987 (as amended)

and/or any other Act or Ordinance pertaining to the supply of Electricity

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

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

### 14. WRONGFUL ARREST AND DEFAMATION

The Defined Events are extended to include damages:

- (i) resulting from wrongful arrest (including assault in connection with such wrongful arrest)
- (ii) in respect of defamation



PROVIDED ALWAYS THAT:

the limits of indemnity as stated shall not exceed R50 000 (fifty thousand rand) under each of (i) and (ii) and R100 000 (one hundred thousand rand) in any one (annual) period of insurance.

**15. E.C. LIABILITY**

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

- (a) Specific Exceptions 8(a) and 8(b) shall not apply to damages or costs and expenses of litigation recovered by any claimant in respect of judgements delivered in the first instance in courts of the E.C. or E.F.T.A.
- (b) In respect of these goods or products (other than raw materials), the Insured shall:
  - (i) implement and maintain a system in terms of which these goods or products can be clearly identified by batch number or serial number or date stamp or other similar manner
  - (ii) note and maintain a record of the date on which the actual goods or products were first put into circulation.

This record shall be maintained so as to provide the required detail for a minimum period of 10 (ten) years after the goods or products were first put into circulation.

- (c) The information mentioned in (b), together with all supporting documentation, shall be made available to the Company or their nominee at any time on request.

**16. DROVING AND ESCAPING OF ANIMALS AND STRAY ANIMALS**

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

PROVIDED THAT:

- (a) the Insured takes all reasonable precautions to prevent damage and complies with the Law regarding the droving of animals on public roads
- (b) that all gates and fences of cattle paddocks directly alongside public roads are kept in a good condition and that all gates having access to public roads are properly closed at all times
- (c) the Insured shall be liable for the first 10% (ten percent) with a minimum of R1 000 (one thousand rand) and a maximum of R25 000 (twenty five thousand rand) of each and every claim in terms of this Extension.

**17. ANIMALS/LIVESTOCK AT SHOWS AND AUCTIONS**

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

**18. ANIMALS NOT BELONGING TO THE INSURED**

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

PROVIDED THAT:

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

19. CYCLES OR ANIMAL DRAWN VEHICLES

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

20. CROP SPRAYING

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

PROVIDED THAT:

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

21. FIRE EXTINGUISHING CHARGES

Any costs relating to the extinguishing or fighting of fire, shall be 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 reasonably expected to be in danger from the fire.

22. SPREADING OF FIRE

Specific Exception 12(c) of this Section is deleted

PROVIDED THAT:

- (a) this Extension does not cover loss or damage to plantations, forest or sugar cane

PROVIDED FURTHER THAT:

any reference to the word "plantations" in terms of this proviso (a) do not apply to and specifically excludes "vineyards"

- (b) the limit of indemnity under this Extension shall not exceed R1 000 000 (one million rand) or the limit stated in the Schedule whichever is the greater for any one event or series of events with one original cause or during any one (annual) period of insurance
- (c) the Insured shall be liable for the First Amount Payable of 12,5% (twelve and a half percent) with a minimum of R2 500 (two thousand five hundred rand) and a maximum of R50 000 (fifty thousand rand) or the amount stated in the Schedule of each and every claim in terms of this Extension.

SPECIAL PROVISIO:

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

23. SPREADING OF FIRE - PLANTATIONS, FORESTS AND SUGAR CANE (If stated in the Schedule to be included)

In consideration of the payment of an additional premium applicable to Provision (ii) below Specific Exceptions 12 (c) and 14 of this Section are deleted

PROVIDED THAT:

the Insured shall be liable for the First Amount Payable of :

- (j) Spreading of Fire (Specific Exception 12 (c)): 12,5% (twelve and a half percent) with a minimum of R2 500 (two thousand five hundred rand) and a maximum of R50 000 (fifty thousand rand) or the amount stated in the Schedule of each and every claim in terms of this Extension.
- (ii) Spreading of Fire – Plantations, Forests and Sugar Cane (Specific Exception 14): 15% (fifteen percent) with a minimum of R5 000 (five thousand rand) and a maximum of R100 000 (hundred thousand rand) or the amount stated in the Schedule of each and every claim in terms of this Extension.

**SPECIAL PROVISIO:**

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

**PROVIDED FURTHER THAT:**

Any reference to the word " plantations" in terms of proviso (i) and (ii) do not apply to and specifically excludes "vineyards".

**24. LIABILITY CONSEQUENT UPON THE BURSTING OR OVERFLOWING OF A DAM WALL (If stated in the Schedule to be included)**

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

**PROVIDED THAT:**

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

**25. GUESTHOUSE LIABILITY (ACCOMMODATION AND LODGING) (If stated in the Schedule to be included)**

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

**(a) PROPERTY OF EMPLOYEES AND VISITORS**

Extension 6 is amended to read as follows:

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

**PROVIDED THAT:**

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

**PROVIDED FURTHER THAT:**

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

**(b) LEGAL DEFENCE COSTS**

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

The Liquor Act No. 27 of 1989 (as amended)

The Tourism Act No. 72 of 1993 (as amended)

The Health Act No. 63 of 1977 (as amended).

26. **INEFFICACY (Excluding wine and related products) (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 Additional Specific Exception (iii) (b) applicable to Products Liability the Company will indemnify the Insured for loss or damages for which the Insured shall become legally liable to pay consequent upon inefficacy of products delivered by the Insured.

For the purpose of this Extension Inefficacy shall mean claims made against the Insured for economic loss(es) sustained by reason of the claimant alleging that his/her/their product(s) as described in the Schedule

- (i) has not achieved its anticipated production value
- (ii) has not been capable of full beneficial use

PROVIDED THAT:

- (a) the limit of indemnity under this Extension shall not exceed R250 000 (two hundred and fifty thousand rand) any one event or series of events with one original cause and R1 000 000 (one million rand) any one (annual) period of insurance
- (b) the Insured shall be liable for the First Amount Payable of 10% (ten percent) with a minimum of R2 500 (two thousand five hundred rand) or the amount stated in the Schedule, whichever is the greater, in respect of each and every claim.

27. **WAREHOUSMAN'S LIABILITY ((Wine and Related Products only)**

Notwithstanding anything to the contrary contained in Specific Exception 2(a)(ii), 2(b) and/or 5 the Company will in terms of this Section indemnify the Insured against liability which the Insured shall become legally liable to pay arising out of their activities as Wine Cellar, Wine Estate, Wine Producers and/or Bottlers including warehousing related thereto consequent upon negligence.

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

- (i) it is warranted that every client/organisation of the Insured will sign the Insured's Standard Conditions of Contract in respect of every undertaking by the Insured involving warehousing by retaining, storing, processing and/or maintenance of third party property whilst in the custody or 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) the Company shall not be liable to pay for compensation consequent upon any delay, loss of market, consequential loss of any kind, depreciation, deterioration or change brought about by any natural causes

PROVIDED THAT:

- (a) 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
- (b) a specimen copy of such terms and conditions must beforehand be lodged with the Company and may not under any circumstances be altered in any way without the written consent of the Company
- (c) if the property of clients or organisations are 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

- (d) the Insured shall at all times display notices in prominent positions on his/her/their premises disclaiming liability for loss of or damage to property
- (e) the Insured shall be liable for the first 10% (ten percent) of each and every claim with a minimum of R5 000 (five thousand rand) or the amount stated in the Schedule whichever is the greater.

The amount payable under this Extension, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the sum of R250 000 (two hundred and fifty thousand rand) or the limit of indemnity for this Extension stated in the Schedule, whichever is the greater.

**28. WAREHOUSMAN'S LIABILITY (Excluding Wine and Related Products) (If stated in the Schedule to be included)**

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

- (a) cold storage operators
- (b) fruit packers
- (c) fruit graders
- (d) warehouseman

consequent upon negligence.

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

- (i) it is warranted that every client/organisation of the Insured will sign the Insured's Standard Conditions of Contract in respect of every undertaking by the Insured involving warehousing by retaining, storing, processing and/or maintenance of third party property whilst in the custody or 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) the Company shall not be liable to pay for compensation consequent upon any delay, loss of market, consequential loss of any kind, depreciation, deterioration or change brought about by any natural causes

PROVIDED THAT:

- (a) 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
- (b) a specimen copy of such terms and conditions must beforehand be lodged with the Company and may not under any circumstances be altered in any way without the written consent of the Company
- (c) if the property of clients or organisations are 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
- (d) the Insured shall at all times display notices in prominent positions on his/her/their premises disclaiming liability for loss of or damage to property

- (e) the Insured shall be liable for the first 10% (ten percent) of each and every claim with a minimum of R5 000 (five thousand rand) or the amount stated in the Schedule whichever is the greater.

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

29. PRODUCTS RECALL (If stated in the Schedule to be included)

In consideration of the payment of an additional premium and notwithstanding anything contained to the contrary in Additional Specific Exception (j) to Extension 12 – Products Liability of this Section the Company will indemnify the Insured in respect of expenditure incurred by the Insured for the recall of product(s) or any part thereof (including containers and labels) sold or supplied by the Insured in connection with the business as a result of a decision taken by the Insured during the period of insurance and notified to the Company during the period of insurance, that it is necessary to recall such products because use or consumption (or continued use or consumption) may cause the Insured to become legally liable as provided for in terms of Extension 12 – Products Liability of this Section

PROVIDED THAT:

- (1.) the Company shall not be liable for any expenditure arising from or consequent upon
- (a) (i) tampering or any attempt thereof of the product sold or supplied
  - (ii) personal injury of whatever nature
  - (iii) deliberate, fraudulent or malicious acts
  - (iv) impairment to brand name
  - (v) entrepreneurial risk
  - (vi) consequential loss following any of the exclusions stated in (i) to (v) above
- (b) the Insured's decision to recall any product(s)
- (i) when such decision is forced upon the Insured by any Government or Public Authority and which the Insured would not have made but for the intervention of the said Government or Public Authority
  - (ii) which have not been delivered to customers by the Insured and which remain in the care, custody and control of the Insured or his parent or subsidiary or associated companies
  - (iii) solely as a result of their having been wrongly delivered or misdirected by or on behalf of the Insured
  - (iv) where recall is brought about solely due to exposure to weather or due to external loss or damage or gradual deterioration. This exclusion shall not apply where a defect in the product supplied is merely exacerbated by exposure to weather or the passage of time
- (c) the Insured's liability to pay any import duties or Customs or Excise charges or Value Added Tax (VAT) incurred or payable before the delivery of the product(s) to the Insured
- (2) the amount payable in terms of this Extension inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this Extension stated in the Schedule
- (3) the Insured shall be liable for the First Amount Payable of 10% (ten percent) of claim with a minimum of R25 000 (twenty five thousand rand) or the amount stated in the Schedule whichever is the greater in respect of each and every claim.

**DEFINITION:**

Expenditure shall mean:

- (i) the reasonable and necessary financial outlay (including the cost of correspondence, newspaper and magazine advertising, radio or television announcements, transportation costs, packaging and/or temporary storage charges) incurred by the Insured in arranging for the return of the product(s) or any part thereof
  - (a) to the premises of the Insured
  - (b) to the premises of the manufacturer or producer (or manufacturers' or producers' nominated agent)
- (ii) the cost of examination and, where necessary, replacement or reworking of the product(s) (or part thereof) whether incurred by the Insured or his nominated agent out of a recall as described above

**30. PRODUCTS GUARANTEE (If stated in the Schedule to be included)**

In consideration of the payment of an additional premium and notwithstanding anything contained to the contrary in Additional Specific Exceptions (i), (ii) and (iii) of Extension 12 – Products Liability of this Section the Company will indemnify the Insured in accordance with the Defined Events for the cost of removal, recovery, repair, alteration, treatment or replacement of any product or part thereof (including containers and labels) which fails to fulfill its intended function or to perform as specified, warranted or guaranteed

PROVIDED THAT:

- (a) the Insured shall be liable for the First Amount Payable of 10% (ten percent) of claim with a minimum of R25 000 (twenty five thousand rand) or the amount stated in the Schedule, whichever is the greater, in respect of each and every claim
- (b) the amount payable in terms of this Extension inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this Extension stated in the Schedule

**31. PRODUCTS LIABILITY – NORTH AMERICAN JURISDICTION EXTENSION CLAUSE (If stated in the Schedule to be included)**

In consideration of the payment of an additional premium and subject otherwise to the Terms, Conditions and Limitations, the following changes are made to this Section of the Policy in respect of "injury" or "damage" (as insured by the Products Liability Extension) which results from goods or products exported to countries which operate under the laws of 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)

PROVIDED THAT:

- (a) Specific Exceptions 8(a) and 8(b) shall still apply
- (b) in respect of these goods or products (other than raw materials), the Insured shall:
  - (i) implement and maintain a system in terms of which these goods or products can be clearly identified by batch number or serial number or date stamp or other similar manner
  - (ii) note and maintain a record of the date on which the actual goods or products were first put into circulation.

This record shall be maintained so as to provide the required detail for a minimum period of 10 (ten) years after the goods or products were first put into circulation.

- (c) The information mentioned in (b), together with all supporting documentation, shall be made available to the Company or their nominee at any time on request

PROVIDED THAT:

indemnity in terms of this Extension does not apply to any actual or alleged violation

- (i) of any responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 or any amendments thereto
- (ii) of any of the provisions of the Security Act of 1933, the Securities Exchange Act of 1934 or similar federal or state law or any common law relating thereto
- (iii) of the Racketeer influenced and Corrupt Organisations Act 18 USC Section 1961 et seq and any amendments thereto or any rules or regulations promulgated thereunder

PROVIDED FURTHER THAT:

- (a) the Insured shall be liable for the First Amount Payable of 15% (fifteen percent) of claim with a minimum of R 25 000 (twenty five thousand rand) or the amount stated in the Schedule, whichever is the greater, in respect of each and every occurrence
- (b) the amount payable in terms of this Extension inclusive of any legal costs recoverable from the Insured by any claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source, or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this Extension stated in the Schedule
- (c) Exception (v) of the Additional Specific Exceptions applicable to the Products Liability Extension is cancelled.

**Additional Specific Exceptions (Applicable to Products Liability – North American Jurisdiction Clause)**

**1. NORTH AMERICAN OPERATIONS CLAUSE**

This Extension will not indemnify the Insured in respect of liability for damages, compensation, interest, costs, expenses or payments of whatsoever nature in connection with any demand, claim or proceeding made or brought within the legal jurisdiction of the United States of America (USA) or Canada.

However, subject otherwise to the terms and conditions of the Extension, this Exclusion shall not apply in respect of:

- (a) Products liability of the Insured and any sales offices or distribution but only in respect of the Insured's products manufactured outside the USA or Canada, provided that the activities of any such sales offices or distributors in the USA or Canada in respect of such products are wholly restricted to
  - (i) marketing, selling and/or
  - (ii) demonstrating, advising and/or
  - (iii) storing, distributing and/or
  - (iv) re-packaging, packaging, packing, labeling, pre-sale cleaning or providing operating instructions
- (b) Public liability and/or Products liability of the Insured solely in respect of work performed by the Insured's
  - (i) employees
  - (ii) directors
  - (iii) partners

who are normally resident outside the USA and Canada and who are temporarily working in the USA or Canada.



- (c) Personal liability of any person who is normally resident outside the USA and Canada and who is temporarily visiting the USA or Canada; however this Extension will not provide an indemnity in respect of liability arising from or out of the ownership, possession or use by or on behalf of an Insured, or any other person entitled to indemnity, of any mechanically propelled vehicle or craft.
- (d) Public liability and/or Products liability and/or Personal liability of the Insured in respect of losses which occur outside the USA and Canada

PROVIDED ALWAYS THAT:

in respect of (a) to (d) above, the Policy is issued outside the USA and Canada and in all respects other than as detailed in (a) to (d) above

- (i) only indemnifies the Insured in respect of business conducted from premises wholly located outside the USA and Canada  
  
and
- (ii) does not indemnify any Insured incorporated or domiciled in the USA or Canada.

## 2. USA AND CANADA COST INCLUSIVE CLAUSE

To the extent that this Extension provides indemnity to the Insured in respect of any demand, claim or proceeding made or brought within the legal jurisdiction of the United States of America or Canada under the provisions of sections (a) to (d) of the North American Jurisdiction Clause and subject to all other terms and conditions of this Extensions, such indemnity shall only be provided to the Insured on the basis that the limit of indemnity provided by an original policy comprises the Insured's maximum liability inclusive of all damages, compensation, interest, costs, expenses and payments of whatsoever nature, or so deemed.

## 3. PUNITIVE DAMAGES CLAUSE

Subject otherwise to the terms and conditions of this Extension additional damages resulting from the multiplication of compensatory damages and/or punitive damages and/or exemplary damages and/or aggravated damages determined against an Insured

- (a) under this Section of the Policy specifying that indemnity is provided for such damages  
  
or
- (b) as part of any judgement award or settlement arising from any demand, claim or proceeding made or brought within the legal jurisdiction of the United States of America or Canada

shall be excluded from recovery hereon.

## 32. FINANCIAL LOSS

Provided this Section has been extended to include Extension 29. Products Recall and/or Extension 30. Products Guarantee, in conjunction with Extension 12. Products Liability:  
the Insured is indemnified by this Extension for damages and claims costs and expenses arising out of any Financial Loss which is incurred by customers and third parties as a result of any product (or part thereof) which fails to fulfill its intended function or to perform as specified, warranted or guaranteed

PROVIDED THAT:

- (a) this Extension does not cover liability for claims arising out of injury and/or damage as defined
- (b) the amount payable in terms of this Extension and Extensions 12, 29 or 30 inclusive of any legal costs recoverable from the Insured by any claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source, or during any one (annual) period of insurance, shall not exceed in the aggregate the relevant limit of indemnity for Extensions 12, 29 or 30 as stated in the Schedule.

## EMPLOYERS LIABILITY

### DEFINED EVENTS

The Company shall indemnify the Insured in respect of:

Damages which the Insured shall become legally liable to pay consequent upon death of or bodily injury to or illness of any person employed under a contract of service or apprenticeship with the Insured, which occurred in the course of and in connection with such person's employment by the Insured within the territorial limits and on or after the retroactive date shown in the Schedule and which results in a claim or claims first being made against the Insured in writing during the period of insurance.

### LIMIT OF INDEMNITY

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

### TERRITORIAL LIMITS

Anywhere in the world but not in connection with:

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

or

(ii) any contract for the performance of work outside

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

## SPECIFIC EXCEPTIONS

This Section does not cover:

- (a) liability assumed by the Insured under any contract, undertaking or agreement where such liability would not have attached to the Insured in the absence of such contract, undertaking or agreement;
- (b) liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event;
- (c) fines, penalties, punitive, exemplary or vindictive damages;
- (d) any claim arising from an event known to the Insured:
  - (i) which is not reported to the Company in terms of General Condition 7;
  - (ii) prior to inception of this Section;
- (e) any claim (in the event of cancellation or non-renewal of this Section) not first made in writing against the Insured within the 48 (forty eight) month period (or extended period in respect of minors) as specified in Specific Condition 2.

## SPECIFIC CONDITIONS

1. Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General Condition 7 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Company.
2. In the event of cancellation or non-renewal of the Policy:
  - (a) any claim resulting from a reported event, first made in writing against the Insured during the 48 (forty eight) months immediately following cancellation or non-renewal shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of 48 (forty eight) months will be extended until the expiry of 12 (twelve) months after the attainment of majority by the claimant;
  - (b) the Insured may report an event in terms of General Condition 7 to the Company for up to 15 (fifteen) days after cancellation or non-renewal

### PROVIDED THAT:

- (i) such event occurred during the period of insurance;
  - (ii) any subsequent claim first made in writing against the Insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 (forty eight) month period specified in 2(a) above.
3. Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the Insured
  - (a) on the date that the event was reported by the Insured in terms of General Condition 7;  
  
or
  - (b) if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.

## EXTENSIONS

### 1. PRINCIPALS

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

### PROVIDED THAT:

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

2. EXTENDED REPORTING OPTION (If stated in the Schedule to be included)

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

PROVIDED THAT:

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

|                   |
|-------------------|
| SPECIAL PROVISION |
|-------------------|

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

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

## STATED BENEFITS

### DEFINED EVENTS

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

### COMPENSATION

| A   | Death   | The amount equal to the number of times the average weekly earnings stated in the Schedule |
|-----|---|--|
| B   | Permanent disability shall mean   | Percentage of compensation   |
| (a) | loss by physical separation at or above the wrist or ankle of one or more limbs.....  | 100  |
| (b) | permanent and total loss of<br>whole of one or both<br>eyes.....  | 100  |
|     | sight of one or both eyes.....  | 100  |
|     | sight of eye except perception of<br>light.....   | 75   |
| (c) | permanent and total loss of hearing<br>both<br>ears.....  | 100  |
|     | one ear.....  | 25   |
| (d) | permanent and total loss of<br>speech.....  | 100  |
| (e) | injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training or being permanently bedridden.....<br>.... | 100  |
| (f) | loss of four fingers.....   | 70   |
| (g) | loss of thumb<br>both<br>phalanges.....   | 25   |
|     | one phalanx.....  | 10   |
| (h) | loss of index finger<br>three phalanges.....  | 10   |
|     | two<br>phalanges.....   | 8  |
|     | one<br>phalanx.....   | 4  |
| (i) | loss of middle finger<br>three phalanges.....   | 6  |

|     |   |                            |
|-----|---|----------------------------|
|     | two phalanges.....  | 4                          |
|     | one phalanx.....  | 2                          |
| (j) | loss of ring finger   |                            |
|     | three phalanges.....  | 5                          |
|     | two phalanges.....  | 4                          |
|     | one phalanx.....  | 2                          |
|     |   | Percentage of compensation |
| (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                          |
| (n) | burns disfigurement   |                            |
|     | permanent disfigurement resulting from                          |                            |
|     | (i) 100% of the surface area of the head and/or neck.....       | 50                         |
|     | (ii) 100% of the surface area of the remainder of the body..... | 25                         |

#### MEMORANDA

- (i) Where the percentage disfigurement under (n)(i) or (n)(ii) is less than 100% (one hundred percent) of the surface area the Company will apply to the benefit concerned a percentage based on the extent that actual disfigurement bears to 100% (one hundred percent) disfigurement.
- (ii) The Company shall not be liable under (n)(i) or (n)(ii) above unless the extent of disfigurement exceeds 10% (ten per cent) individually under (n)(i) or (n)(ii) above nor until the permanent effect of medical and/or surgical treatment has been established.
- (iii) Where the injury is not specified, the Company will pay such sum as, in their opinion, is consistent with the above provisions.

- (iv) Permanent total loss of use of part of the body shall be treated as loss of such part.
- (v) 100% (one hundred percent) shall be the maximum percentage of compensation payable for permanent disability resulting from an accident or series of accidents arising from one cause in respect of any one such person.
- C. **Temporary Total Disability** shall mean total and absolute incapacity from following usual business or occupation.
- D. **Medical Expenses** shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 (twenty four) months of the Defined Event.

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

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

PROVIDED THAT:

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for Death or Permanent Disability (whichever is the higher) plus any compensation payable for Temporary Total Disability and Medical Expenses;
2. the compensation specified for Temporary Total Disability shall be payable for not more than the number of weeks stated in the Schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this Section shall not apply to any such person under 15 (fifteen) or over 75 (seventy five) years of age;
4. any compensation payable by the Company for any period of Temporary Total Disability or for Medical Expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any Workmen's Compensation Enactment for Temporary Total Disability for the same or a lesser period or in respect of Medical Expenses;
5. after suffering accidental bodily injury for which compensation may be payable under this Section, such person shall, when reasonably required by the Company so to do, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. General Conditions 5 and 10 do not apply to this Section;
7. in respect of this Section only, General Exception 1 is deleted and replaced by the following:

"This Section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power";
8. no compensation shall be payable
  - (i) for Temporary Total Disablement where the period of disablement is less than 7 (seven) consecutive days;
  - (ii) for Medical Expenses where such expenses are less than R100 (one hundred rand);
9. compensation for Temporary Total Disablement and Medical Expenses shall cease immediately:
  - (i) when compensation becomes payable for Death;
  - (ii) when compensation becomes payable for Permanent Disability provided the bodily injury which resulted in the disablement has been cured or healed as far as reasonably possible.

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|-------------------|
| <b>EXTENSIONS</b> |
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1. **EXPOSURE**

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

2. **DISAPPEARANCE**

In the event of the disappearance of any such person in circumstances which satisfy the Company that he/she has sustained injury to which this Section applies, and that such injury has resulted in the death of such person, the Company will, for the purposes of the insurance afforded by this Section, presume his/her death provided that if, after the Company



shall have made payment hereunder in respect of such person's presumed death, he/she is found to be alive, such payment shall forthwith be refunded by the Insured to the Company.

3. LIFE SUPPORT

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

4. REPATRIATION

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

5. FUNERAL EXPENSES

In the event of an accident giving rise to a Death claim the Company will pay to such person's estate R5 000 (five thousand rand) as a contribution to funeral expenses.

6. PASSIVE WAR COVER (if stated in the Schedule to be included)

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

7. 24 HOUR COVER (If stated in the Schedule to be included)

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

8. MOBILITY

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

- (i) a self propelled wheelchair and/or;
- (ii) the modification of the controls to such person's motor vehicle and/or;
- (iii) if necessary the fitting of wheelchair loading equipment to such person's private vehicle and/or;
- (iv) alterations to such person's private residence to facilitate the use of such wheelchair

up to an amount but not exceeding R10 000 (ten thousand rand) any one occurrence.

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

|                     |
|---------------------|
| SPECIFIC CONDITIONS |
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#### DECLARATION OF EARNINGS

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

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

- (a) while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- (b) by his/her suicide, attempted suicide or intentional self injury;
- (c) caused solely by an existing physical defect or other infirmity of such person;
- (d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself/herself) or as a result of such person's driving a motor vehicle whilst his/her blood alcohol percentage exceeds the statutory limit at the time of the occurrence;
- (e) as a result of his/her participation in any riot or civil commotion;
- (f) as a result of insanity, any form of neurosis, acquired immuno deficiency syndrome (AIDS), venereal disease, any physical defect or weakness, malignant disease of the mammary glands, pregnancy, childbirth, abortion or miscarriage, or any complication or sequelae thereof;
- (g) while he/she is, or as a result of his/her engaging in:
  - (i) motor cycling (whether as a driver or passenger) other than on the business of the Insured;
  - (ii) racing of any kind involving the use of any power driven
    - (aa) vehicle
    - (ab) vessel
    - (ac) craft;
  - (iii) mountaineering necessitating the use of ropes or a guide, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football, hang-gliding, parachuting, skydiving, bungee jumping, wrestling, boxing, scuba diving, waterskiing or martial arts;

- (h) by his/her involvement or participation in any defence force and/or armed forces training, service, exercises or operations except peace time military training;
- (i) as the result of an accident attributable to such person's serious and wilful misconduct;
- (j) whilst such person is using or as a result of such person's use of woodworking machinery other than as a domestic hobby;
- (k) whilst such person is engaged in, or as a result of such person engaging in mining, shaft sinking, underground mining operations, or the manufacture or use of explosives.

## GROUP PERSONAL ACCIDENT

### DEFINED EVENTS

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

### COMPENSATION

| A   | Death   | The amount stated in the Schedule |
|-----|---|-----------------------------------|
| B   | Permanent disability shall mean   | Percentage of compensation        |
| (a) | loss by physical separation at or above the wrist or ankle of one or more limbs.....  | 100                               |
| (b) | permanent and total loss of whole of one or both eyes.....  | 100                               |
|     | sight of one or both eyes.....  | 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 incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training or being permanently bedridden..... | 100                               |
| (f) | loss of four fingers.....   | 70                                |
| (g) | loss of 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                          |
|     |  | Percentage of compensation |
| (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                          |
| (n) | burns disfigurement permanent disfigurement resulting from (i) 100% of the surface area of the head and/or neck..... | 50                         |
|     | (ii) 100% of the surface area of the remainder of the body.....  | 25                         |

#### MEMORANDA

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

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

PROVIDED THAT:

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for Death or Permanent Disability (whichever is the higher) plus any compensation payable for Temporary Total Disability and Medical Expenses;
2. the compensation specified for Temporary Total Disability shall be payable for not more than the number of weeks stated in the Schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this Section shall not apply to any such person under 15 (fifteen) or over 75 (seventy five) years of age;
4. after suffering accidental bodily injury for which compensation may be payable under this Section, such person shall, when reasonably required by the Company to do so, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
5. General Conditions 5 and 10 do not apply to this Section;
6. in respect of this Section only, General Exception 1 is deleted and replaced by the following:

“This Section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power”;
7. no compensation shall be payable
  - (i) for Temporary Total Disablement where the period of disablement is less than 7 (seven) consecutive days;
  - (ii) for Medical Expenses where such expenses are less than R100 (one hundred rand);
8. compensation for Temporary Total Disablement and Medical Expenses shall cease immediately
  - (i) when compensation becomes payable for Death;
  - (ii) when compensation becomes payable for Permanent Disability provided the bodily injury which resulted in the disablement has been cured or healed as far as reasonably possible.

|                            |
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| <b>SPECIFIC EXCEPTIONS</b> |
|----------------------------|

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

- (a) while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- (b) by his/her suicide, attempted suicide or intentional self injury;
- (c) caused solely by an existing physical defect or other infirmity of such person;
- (d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself/herself) or as a result of

such person's driving a motor vehicle whilst his/her blood alcohol percentage exceeds the statutory limit at the time of the occurrence;

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

|            |
|------------|
| EXTENSIONS |
|------------|

1. EXPOSURE

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

2. DISAPPEARANCE

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

3. LIFE SUPPORT

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



4. **REPATRIATION**

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

5. **FUNERAL EXPENSES**

In the event of an accident giving rise to a Death claim the Company will pay to such person's estate R5 000 (five thousand rand) as a contribution to funeral expenses.

6. **PASSIVE WAR COVER (If stated in the Schedule to be included)**

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

7. **24 HOUR COVER (If stated in the Schedule to be included)**

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

8. **MOBILITY**

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

- (i) a self propelled wheelchair and/or;
- (ii) the modification of the controls to such person's motor vehicle and/or;
- (iii) if necessary the fitting of wheelchair loading equipment to such person's private vehicle and/or;
- (iv) alterations to such person's private residence to facilitate the use of such wheelchair

up to an amount but not exceeding R10 000 (ten thousand rand) any one occurrence.

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

## SINGLE TRANSIT

### DEFINED EVENTS

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

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

### INSURED PERILS

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

## SPECIFIC CONDITIONS

### 1. First Amount Payable

The Company shall not be liable for:

- (a) the first 10% (ten percent) or R500 (five hundred rand) whichever is the greater of each and every claim
- or
- (b) the first amount percentage and/or First Amount Payable stated in the Schedule whichever is the greater of each and every claim.

### 2. Period of transit

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

- (a) temporary storage whilst on quays and/or wharves and
- (b) warehouses and/or sheds at such destination whilst awaiting shipment for a period not exceeding 7 days

PROVIDED THAT:

cover in terms of this Section will cease the moment such goods

- (i) cross the ship's rail (Free on Board) or
- (ii) enter the aircraft perimeter to the loading space (Free on Board).

3. Refusal of receipt

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

PROVIDED THAT:

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

4. Other means of conveyance

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

PROVIDED THAT:

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

5. Breakdown of means of conveyance

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

6. Debris removal

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any Defined Event.

7. Fire Extinguishing Charges

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

PROVIDED THAT:

the maximum amount payable under this Specific Condition shall not exceed R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one event.

|                            |
|----------------------------|
| <b>SPECIFIC EXCEPTIONS</b> |
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This Section does not cover:

- (a) depreciation or loss or damage arising from wear and tear, dents, scratches or occasioned by moth, vermin or insects, damp, mildew, rust or any process of heating, drying, cleaning, dyeing, alteration or repair to which the said property is subjected;
- (b) loss or damage by theft or attempt thereat or dishonesty on the part of any principal, partner, director or person in the employ of the Insured whether acting alone or in collusion with others;
- (c) earthquake, volcanic eruptions or other convulsions of nature;
- (d) breakage of articles of a brittle nature unless such breakage is caused by burglars, thieves or fire;

- (e) loss by leakage of any liquid from the receptacle in which it is contained except when caused by perils insured against in this Section;
- (f) deeds, bonds, coins, money, securities, stamps, stamp collections, plans, patterns, designs, documents of title, contracts or other documents, business books or manuscripts unless specifically stated in the Schedule;
- (g) damage to any working machine or part thereof as a result of electronic, electrical or mechanical breakdown;
- (h) consequential loss of any nature whatsoever;
- (i) inherent vice or defect regarding the insured property;
- (j) loss of or damage to property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique;
- (k) loss of or damage attributed to by inferior packing;
- (l) loss or damage incurred while any vehicle is being driven by:
  - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
  - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his/her business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles

PROVIDED THAT:

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

- (m) loss of or damage to the insured property consequent upon hijacking or any attempt thereat;
- (n) breakdown of refrigeration equipment;
- (o) detention, confiscation or requisition by customs or other officials or authorities;
- (p) 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 to or exit therefrom.

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| ENDORSEMENTS AND EXTENSIONS APPLICABLE IF SO STATED IN THE SCHEDULE |
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1. HIJACKING COVER

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

PROVIDED THAT:

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

## 2. RIOT AND STRIKE

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

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

Provided that this Extension does not cover:

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

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

## MACHINERY BREAKDOWN

### DEFINED EVENTS

Any unforeseen and sudden physical damage to the machinery described in the Schedule from any cause whilst it is

1. at work or at rest
2. being dismantled for the purpose of cleaning, inspection and overhaul or removal to another position or in the course of these operations themselves or subsequent re-erection

within the Insured's premises.

### BASIS OF INDEMNITY

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

## SPECIFIC EXCEPTIONS

1. Irrespective of the original cause the Company will not pay for
  - (a) First Amount Payable  
the amount specified in the Schedule as the First Amount Payable for each and every occurrence
  - (b) Damage due to
    - (i) Fire lightning explosion:  
fire extinguishing of a fire direct lightning strikes explosion
    - (ii) Theft collapse etc.  
theft collapse of buildings impact by animals vehicles aircraft other aerial devices or objects dropped therefrom sonic shock waves
    - (iii) Water  
water which escapes from water containing apparatus including leakage or discharge from any sprinkler or drencher system
    - (iv) Subsidence landslide  
subsidence landslide storm flood inundation hail snow earthquake volcanic eruption or other convulsions of nature  
or any subsequent dismantling

- (c) Experiments  
damage resulting from experiments overloads or tests requiring the imposition of abnormal conditions
- (d) Tools  
damage due to the misapplication of tools
- (e) Wastage wearing away  
wastage of material or the like or wearing away or wearing out of any part of the machinery caused by or naturally resulting from ordinary usage or working or other gradual deterioration
- (f) Expendable parts  
expendable parts and tools such as (but not limited to) bits cutters knives saw blades dies pattern rollers sieves chains belts ropes conveyor bands jointing and packing material. If these parts or tools are damaged as a result of an accident to other parts of the machinery insured as provided for by this insurance the Company shall indemnify the Insured for the residual value of such parts or tools
- (g) Express delivery overtime  
extra charges for express delivery overtime Sunday and holiday rates of wages unless specially provided for herein
- (h) Damaged parts  
the value of damaged parts which can be used in any way whatsoever
- (i) Alterations additions  
costs of alterations additions improvements and overhauls carried out on the occasion of a repair
- (j) Temporary repairs  
temporary repairs and any consequences arising therefrom unless the Company has authorised the temporary repairs

2. Foundations masonry refractories

the machinery described in the Schedule does not include any foundations masonry or refractories unless specifically mentioned

3. Partial damage

where damage is restricted to a part or parts of an insured item the Company will not be liable to pay a greater amount than the value of the part or parts allowed for in the sum insured plus dismantling re-erection and freight expenses.

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| SPECIFIC CONDITIONS |
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1. Alterations to working conditions

Notice of any intended alteration to or departure from normal working conditions which would affect the risk of damage to the machinery specified in the Schedule must be given to the Company. If the Company cannot approve the alteration or departure from normal working conditions the Company may cancel the insurance in respect of the machinery concerned making an appropriate return of premium.

2. Access

The Insured shall allow the authorised representatives of the Company to examine the insured machinery at any reasonable time. If during the inspection any new facts of a nature likely to render the risk more than usually hazardous are observed the Insured must at the request of the Company restore the risk to normal within a reasonable time failing which the Company may suspend cover in whole or in part until the risk is restored to normal.

3. Claims

On the happening of an event giving rise or likely to give rise to a claim the Insured

(a) shall exercise all means in his power to salvage the insured items and ensure their preservation

(b) may proceed with the repair of the machinery

PROVIDED THAT:

(i) the Insured complies with 3(a) above

(ii) the carrying out of the repair is without prejudice to any question of liability

(iii) any damaged part requiring replacement is kept for inspection by the Company.

4. Insured value

The sum insured for each item of machinery specified in the Schedule must be equal to the installed new replacement value at all times.

5. Average

If at the time of the damage the sum insured is lower than the installed new replacement value then the Insured will be considered to be his/her own insurer for the difference and will bear a rateable share of the loss accordingly. Every item of machinery will be separately subject to this Condition.



## LOSS OF PROFITS (MACHINERY BREAKDOWN)

### DEFINED EVENTS

Accident to machinery specified in Schedule II and used by the Insured at the premises for the purpose of the business resulting in interruption or interference with the business provided that payment shall have been made or liability admitted for such accident under the Machinery Breakdown Section except in so far as a proviso may operate to exclude losses below a specified amount.

### DEFINITIONS

1. "Accident"

Unforeseen and sudden physical damage to the machinery described in Schedule II from any cause provided for by the Machinery Breakdown Section.

2. "Gross Profit" (difference basis) insured under item 1 of Schedule I

The amount by which the sum of the turnover and closing stock exceeds the sum of the opening stock and the uninsured working expenses specified in Schedule I.

3. "Gross Profit" (specified standing charges basis) insured under item 2 of Schedule I

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

4. "Gross Profit" (all standing charges basis) insured under item 3 of Schedule I

The sum produced by adding to the net profit the amount of all the standing charges of the business or if there is no net profit the amount of all the standing charges less the amount of any net trading loss. For the purpose of this insurance depreciation of buildings plant machinery (other than machinery damaged in the accident) fixtures and fittings shall inter alia be deemed to be standing charges.

5. "Net Profit"

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

6. "Revenue"

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

7. "Indemnity period"

The period during which the results of the business are affected in consequence of the accident beginning the number of hours/days stated in Column C of Schedule II after the occurrence of the accident and ending not later than the expiry of the period shown in Column D of Schedule II after the occurrence.

8. "Turnover"

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

9. "Rate of gross profit"

The rate of gross profit to turnover during the financial year immediately before the date of the accident.

10. "Rate of wages"

The rate of wages to turnover during the financial year immediately before the date of the accident.

11. "Annual turnover"

The turnover during the 12 (twelve) months immediately before the date of the accident.

12. "Standard turnover"

The turnover during the period corresponding with the indemnity period in the 12 (twelve) months immediately before the date of the accident.

13. "Annual revenue"

The revenue during the 12 (twelve) months immediately before the date of the accident.

14. "Standard revenue"

The revenue during the period corresponding with the indemnity period in the 12 (twelve) months immediately before the date of the accident.

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

15. "Shortage in turnover"

The amount by which the turnover during the specified portion of the indemnity period shall in consequence of the accident fall short of that part of the standard turnover which relates thereto.

16. "The premise"

All premises owned used or occupied by the Insured for the purposes of the business.

SPECIFIC EXCEPTIONS

ADDITIONS ALTERATIONS IMPROVEMENTS

The Company will not be liable for loss resulting from interruption or interference with the business due to additions alterations or improvements being effected to the damaged item(s) on the occasion of its repair.

## SPECIFIC CONDITIONS

### 1. Action in event of an accident

When an accident occurs in consequence of which a claim may be made under this Section the Insured in addition to complying with the General Conditions shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss and if a claim is made under this Section will not later than 30 (thirty) days after the expiry of the indemnity period or within such further time as the Company will allow at their own expense deliver to the Company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. No claim under this Section will be payable unless this Specific Condition has been complied with and in the event of non-compliance therewith in any respect any payment on account of the claim already made will be repaid to the Company forthwith.

### 2. Standby machinery

Any item of machinery insured by this Section against which the word "Standby" appears in Schedule II shall be maintained as standby available for immediate use in the event of the failure of the machinery to which it is standby. Should the standby position change the Insured shall give notice as soon as possible to the Company and pay the applicable additional premium, calculated from the date that the item of machinery ceased to be standby.

## BASIS OF LOSS SETTLEMENT

### 1. Gross profit (difference basis)

The insurance under item 1 of Schedule I is limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable thereunder will be

#### (a) For reduction in turnover

the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover

#### (b) For increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing a reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

less any sum saved during the indemnity period for such charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the accident

PROVIDED THAT:

if the sum insured by this item is less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

### 2. Gross profit (specified standing charges basis)

The insurance under item 2 of Schedule I is limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity thereunder will be

(a) For reduction in turnover

the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover

(b) For increase in cost of working

the additional expenditure (subject to proviso 2(d)) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

less any sum saved during the indemnity period for such of the insured standing charges as may cease or be reduced in consequence of the accident

PROVIDED THAT:

(c) if the sum insured by this item is less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced

(d) if any standing charges of the business are not insured only such proportion of the additional expenditure as the sum of the net profit and the insured standing charges bears to the sum of the net profit and all standing charges shall be brought into account when calculating the amount recoverable hereunder.

3. Gross profit (all standing charges basis)

The insurance under item 3 of Schedule I is limited to the gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity thereunder shall be

(a) For reduction in turnover

the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover

(b) For increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

less any sum saved during the indemnity period in respect of any standing charges which may cease or be reduced in consequence of the accident

PROVIDED THAT:

if the sum insured by this item be less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

4. Revenue

The insurance under item 4 of Schedule I is limited to loss due to reduction in revenue and increase in cost of working and the amount payable as indemnity hereunder will be

(a) For reduction in revenue

the amount by which the revenue during the indemnity period shall in consequence of the accident fall short of the standard revenue

(b) For increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in revenue which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the amount of the reduction thereby avoided

less any sum saved during the indemnity period for such charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the accident

PROVIDED THAT:

if the sum insured by this item is less than the annual revenue (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

5. Wages (dual basis)

The insurance under item 5 of Schedule I is limited to loss in respect of wages and the amount payable thereunder will be

(a) For reduction in turnover

(i) during the portion of the indemnity period beginning with the number of hours/days stated in Column C of Schedule II after the occurrence of the accident and ending not later thereafter than the specified number of weeks in Schedule I – the sum produced by applying the rate of wages to the shortage in turnover less any saving through reduction in the amount of wages paid in consequence of the accident

(ii) during the remaining portion of the indemnity period – the sum produced by applying the rate of wages to the shortage in turnover less any saving through reduction in consequence of the accident in the amount of wages paid but not exceeding the sum produced by applying the specified percentage of the rate of wages to the shortage in turnover increased by such amount as is deducted for savings in terms of paragraph 5(a)(i) above.

NOTE: At the option of the Insured the provisions of paragraph 5(a)(i) may apply for the specified extended period provided that the amount arrived at under the provisions of 5(b)(ii) shall then not exceed the amount deducted under paragraph 5(a)(i) for savings effected during the said extended period

(b) For increase in cost of working

so much of the additional expenditure described in paragraph 1(b) or 2(b) or 3(b) of items 1 or 2 or 3 of Schedule I as exceeds the amount payable thereunder but not more than the additional amount which would have been payable for reduction in turnover under the provisions of paragraphs 5(a)(i) and 5(a)(ii) of this item had such expenditure not been incurred

PROVIDED THAT:

if the sum insured by this item is less than the sum produced by applying the rate of wages to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced

(c) Wages (number of weeks basis)

the insurance by item 6 of Schedule I is limited to the loss incurred by the Insured by the payment of wages for a period beginning with the number of weeks/days stated in Column C of Schedule II after the occurrence of the accident and ending not later thereafter than the number of weeks specified in Schedule I. The amount payable as indemnity under this item will be the actual amount which the Insured shall pay as wages for such period to employees whose services cannot in consequence of the accident be utilised by the Insured at all and an equitable part of the wages paid for such period to employees whose services cannot in consequence of the accident be utilised by the Insured to the full

PROVIDED THAT:

if the sum insured by this item is less than the aggregate amount of wages that would have been paid during the specified number of weeks immediately following the accident had the accident not occurred the amount payable will be proportionately reduced

(d) **Additional expenditure**

the insurance under item no. 7 of Schedule I is limited to additional expenditure (in excess of that recoverable under other items) necessarily and reasonably incurred by the Insured in consequence of the accident in order to minimise interruption of or interference with the business during the indemnity period

(e) **Other premises**

if during the indemnity period goods shall be sold or services shall be rendered or revenue earned elsewhere than at the premises for the benefit of the business either by the Insured or by others on his/her behalf the money paid or payable or revenue earned in respect of such sales or services shall be brought into account in arriving at the turnover or revenue during the indemnity period.

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| CLAUSES (IF STATED IN THE SCHEDULE TO APPLY) |
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(a) **Accountant/Auditor**

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company for the purpose of investigating or verifying any claims under this insurance may be produced and certified by the Insured's own accountants and/or auditors and their certificate will be prima facie evidence of the particulars and details to which such certificate relates.

(b) **Accumulation of stocks**

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

(c) **Department/branches**

If the business be conducted in departments/branches the independent trading results of which are ascertainable the provisions of paragraphs 1(a), 1(b), 2(a), 2(b), 3(a), 3(b), 4(a), 4(b), 5(a) and 5(b) will apply separately to each department/branch whose results are affected by the accident

PROVIDED THAT:

if the respective sums insured are less than the aggregate of the sums produced by applying the rate of gross profit revenue or the rate of wages (as the case may be) for each department/ branch of the business (whether its results are affected by the accident or not) to the relative annual turnover thereof (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

(d) **Alternative basis of loss settlement**

The term "output" may be substituted for the term "turnover" and for the purpose of this insurance "output" shall mean "the sale value of goods manufactured by the Insured in the course of the business at the premises"

PROVIDED THAT:

(i) only one such meaning shall be operative in connection with any accident

(ii) if the meaning set out above be adopted

(a) clause (b) shall be of no effect

(b) point 5(e) under the heading "Basis of Loss Settlement" shall read as follows

"if during the indemnity period goods shall be manufactured or services rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his/her behalf the sale value of goods so manufactured or services rendered shall be brought into account in arriving at the output during the indemnity period".

(e) **New business clause**

For the purpose of assessing any loss sustained as the result of an accident occurring before the completion of the first year's trading the terms "rate of gross profit" "rate of wages" "annual turnover" "standard turnover" "annual revenue" and "standard revenue" shall bear the following meanings

(i) **Rate of gross profit**

The rate of gross profit earned on the turnover during the 3 (three) months immediately before the date of the accident.

(ii) **Rate of wages**

The rate of wages to turnover during the 3 (three) months immediately before the date of the accident.

(iii) **Annual turnover**

Twelve times the average monthly turnover for the 3 (three) months immediately before the date of the accident.

(iv) **Standard turnover**

The turnover which would have been achieved during the indemnity period if the average turnover during the 3 (three) months immediately before the date of the accident had been maintained.

(v) **Annual revenue**

The average revenue earned during the 3 (three) months immediately before the date of the accident.

(vi) **Standard revenue**

The revenue which would have been earned during the indemnity period if the average revenue during the 3 (three) months immediately before the date of the accident had been maintained.

(f) **Deposit premium**

In consideration of the premium for items 1, 2, 3, 4 and/or 5 of Schedule I being provisional because they are calculated on 75% (seventy five percent) of the sum(s) insured thereby the premium is subject to adjustment on expiry of each period of insurance as follows

If the gross profit or revenue earned or wages paid (proportionately increased if the indemnity period exceeds 12 (twelve) months) during the financial year most nearly concurrent with any period of insurance is less or greater than 75% (seventy five percent) of the sum insured thereon a pro rata return or additional premium not exceeding 33-1/3% (thirty three and one third percent) of the provisional premium paid for such period of insurance will be made for the difference.

(g) **Premium rebate**

(i) If the gross profit and/or revenue earned and/or wages paid as insured by item 5 of Schedule I (all proportionately increased if the indemnity period exceeds 12 (twelve) months) during the financial year most nearly concurrent with any period of insurance is less than the respective sums insured thereon a pro rata return of premium not exceeding 50% (fifty percent) of the premium paid on such sums insured for such period of insurance will be made for the difference

PROVIDED THAT:

if any claim shall have arisen under these items such return will be made in respect only of so much of the difference as is not due to such claim.

- (ii) If the specified number of 52<sup>nd</sup> parts of the wages paid as insured by item 6 of Schedule I during the financial year most nearly concurrent with any period of insurance is less than the sum insured thereon a pro rata return of premium not exceeding 50% (fifty percent) of the premium paid on such sum insured for such period of insurance will be made for the difference

PROVIDED THAT:

if any claim shall have arisen under this item no return of premium will be made.



## DETERIORATION OF STOCK (MACHINERY BREAKDOWN)

### DEFINED EVENTS

This Insurance is in respect of:

1. FORTUITOUS DAMAGE TO THE PRODUCTS AND/OR COLDROOM(S) INSURED
2. INCREASE IN THE COST OF WORKING

and the amount payable as Indemnity thereunder shall be:

(i) IN RESPECT OF FORTUITOUS DAMAGE TO THE PRODUCTS AND/OR COLDROOM(S) INSURED:

The value of the Insured Products and/or Coldroom(s) affected as a direct consequence of the Accident but not exceeding the Limit of Indemnity stated in the Schedule

(ii) IN RESPECT OF INCREASE IN THE COST OF WORKING:

The additional expenditure necessarily and reasonably incurred as a direct consequence of the Accident (including costs incurred in obtaining alternative storage facilities for the Insured Products) wholly and exclusively incurred for the purpose of preventing or minimising damage to the Insured Products but not exceeding the Amount that would otherwise have been indemnifiable under Clause (i) above

PROVIDED ALWAYS THAT:

- (a) other than in the case of the accidental escape of refrigerant Accident shall cause a fluctuation in temperature in the Coldroom(s)
- (b) the Company shall have the benefit of any saving in expenditure as a result of the Accident

## DEFINITIONS

### 1. ACCIDENT

A. UNFORSEEN AND SUDDEN PHYSICAL DAMAGE to the Machinery described in the Schedule of this Section from any cause provided for under Machinery Breakdown Section issued by the Company's liability under which Section shall except for the Provision of the Specific Exception relating to the Deductible Amount be a condition precedent to liability hereunder

B. FAILURE OF THE PUBLIC SUPPLY OF ELECTRICITY at the terminal ends of the Supply Authority's service feeders in the Insured's 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 Power Station

If stated in the Schedule to be covered

C. DAMAGE TO THE INSURED PRODUCTS (contained in the Coldrooms and/or the Insured Coldroom(s)) caused as a direct result of the accidental escape of refrigerant following unforeseen and sudden physical damage to the Refrigeration Machinery described in the Schedule of this Section.

If stated in the Schedule to be covered

2. **COLDROOM**

The term "Coldroom" shall be deemed to include "Refrigeration Chamber".

3. **DAMAGE**

Except in Clause "A" of the Definition of Accident the word "Damage" wherever it appears in this Section shall mean:

(a) in respect of the Insured Products

"Destruction or impairment in value of the Insured Products by deterioration or contamination or putrefaction or spoilage"

(b) in respect of the Insured Coldroom(s)

"Contamination by Refrigerant necessitating the evacuation of the Coldroom(s)".

If stated in the Schedule to be covered.

4. **VALUE**

The word "Value" wherever used in this Section shall mean:

In respect of the Insured Products

(a) "The actual purchase price paid by the Insured to his Supplier for the Insured Products or that part thereof affected by Accident"

or

(b) "The actual purchase price paid by the Insured to his Supplier for the Insured Products or that part thereof affected by Accident to which is added the processing costs of such Insured Products prior to being placed in the Coldroom(s)"

or

(c) "The selling price of the Insured Products or that part thereof affected by Accident"

In respect of Insured Coldroom(s)

"The current day replacement cost of the Coldroom(s)

Whichever stated in the Schedule to be applicable.

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| <b>SPECIFIC EXCEPTIONS</b> |
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The Company shall not indemnify the Insured in respect of:

1. The amount of the Deductible stated in the Schedule
2. Damage to Insured Products other than wine and related products not contained in Insured Coldroom(s) at the time of such damage
3. Consequential loss Damage or liability arising out of the Damage to the Insured Products and/or Coldroom(s)
4. Damage to the Insured Products and/or Coldroom(s) caused by bruising rodents pests or natural deterioration disease or vice.

SPECIAL MEMORANDA

MEMO 1:

In the event of damage to the Insured Products:

- (a) where such damage necessitates destruction of the Insured Products a Certificate of Condemnation must be obtained by the Insured from the appropriate Local Authority for such goods to be destroyed
- (b) in cases where damage is alleged to have impaired the value of the Insured Products reasonable proof of impairment of value must be submitted by the Insured in respect of such Insured Products
- (c) where the Insured has incurred an increase in the cost of working so as to prevent or minimise damage to the Insured Products reasonable proof of the necessity for incurring such costs must be furnished by the Insured.

MEMO 2:

The Machinery described in the Schedule of this Section shall be subject to regular and adequate maintenance processes undertaken by suitably Qualified Members of the Insured's own staff or in terms of a Maintenance Contract with Specialist Maintenance Engineers.

MEMO 3:

The controlling switchgear of the Refrigeration Machinery described in the Schedule of this Section shall incorporate apparatus for automatic restarting following a failure of the Public Supply of Electricity.

MEMO 4: (PRODUCTS CONTAINED IN COLDROOMS)

The premium charged under this Section shall be provisional and adjusted on the expiry of each Period of Insurance in accordance with the Provisions of Memorandum 5 hereunder.

MEMO 5: (PRODUCTS CONTAINED IN COLDROOMS)

On the expiry of each Period of Insurance the Insured shall make the following declaration to the Company:

- (i) the average monthly value of the Insured Products contained in Coldroom(s). The provisional premium shall be adjusted at the rates agreed between the Insured and the Company and an additional or refund premium charged or allowed to the Insured
- or
- (ii) the maximum value of the Insured Products contained in Coldroom(s) at any one time during the Period of Insurance. The provisional premium charged shall be adjusted at the rates agreed between the Insured and the Company and an additional or refund premium charged or allowed to the Insured
- (iii)
  - (a) the estimated value at risk for the forthcoming Period of Insurance in accordance with the Provisions of (i) above
  - (b) the replacement cost of the Coldroom(s).

## EXTENDED LIABILITY LIMITS

### DEFINED EVENTS

Damages which the Insured shall become legally liable to pay but restricted to those events that are insured and covered by the wording and Policy Schedules of the underlying insurance.

### 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.

## DEFINITIONS

**UNDERLYING INSURANCE** shall mean cover in force under those Sections listed in the Schedule under the heading "underlying insurance Sections".

### Basis of Indemnification

This Section provides indemnity in excess of the limit of indemnity of the underlying insurance provided that:

- (i) the cover provided by this Section is subject to the same terms, exceptions and conditions as the underlying insurance and where such 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 (annual) period of such underlying insurance, then the limit of indemnity under this Section is declared to be on an identical basis as such underlying insurance;
- (ii) the claim is covered by the underlying insurance and is not met in full solely because of the inadequacy of the limit of indemnity of such underlying insurance;
- (iii) where the limit of indemnity of the underlying insurance has been reduced by reason of previous claims, this Section shall provide indemnity in excess of such reduced limit of indemnity;
- (iv) where the limit of indemnity of the underlying insurance has been exhausted by reason of previous claims, the Company will interpret this Section as if such underlying insurance is still in force and this Section shall provide indemnity in excess of the First Amount Payable (if any) of such underlying insurance. If the underlying insurance is voided for whatever reason then this Section shall likewise be voided;
- (v) unless specifically agreed to by the Company under this Section, any decision by the Company to accept a claim on an "ex gratia" or "without prejudice" basis in terms of the underlying insurance shall not be covered under this Section.

## SPECIFIC EXCEPTIONS

The Company will not indemnify the Insured in respect of:

1. fines, penalties, punitive, exemplary or vindictive damages;
2. any liability arising out of the transportation of hazardous substances if such transportation was not in compliance with chapter VIII of the National Road Traffic Act 1996 (Act 93 of 1996) (as amended);
3. any judgement, award or settlement in respect of motor third party liability made within countries which operate under the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement in whole or in part);

4. liability provided for in terms of the following Extensions of the relevant underlying insurance Sections
  - (a) Section 23 Public Liability (which for the purpose of this Section) includes Commercial Hunting and/or Game Viewing Activities:
    - (i) Extension 24 Liability Consequent Upon The Bursting or Overflowing of Dam Walls
    - (ii) Extension 26 Inefficacy (Excluding wine and related products)
    - (iii) Extension 29 Products Recall
    - (iv) Extension 30 Products Guarantee
    - (v) Extension 31 Products Liability – North American Jurisdiction Extension clause
    - (vi) Extension 32 Financial Loss
  - (b) Section 9 Motor:
    - (i) Extension 22 Passenger Liability – Employees
    - (ii) Extension 26 Passenger Liability – Clients in respect of sightseeing drives or organised tours relating to any winemaking processes, wine tasting and/or any activities of a similar nature or commercial hunting and/or game viewing activities
5. any liability consequent upon injury or damage directly or indirectly caused by or in connection with or arising from or attributable to sightseeing drives or organised tours relating to any winemaking processes, wine tasting and/or any activities of a similar nature or hunting or game viewing activities.

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| SPECIFIC CONDITIONS |
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1. The indemnity granted by this Section is conditional upon the underlying insurance remaining in force throughout the period of insurance.
2. The limits of indemnity in terms of the underlying insurance shall not be less than those reflected under the heading "Minimum underlying insurance indemnity limits" contained in the Schedule. If, at the date of loss, the limit of indemnity in terms of the underlying insurance, is less than the said minimum limits, then the Insured shall be considered as being their own insurer for the difference unless such underlying limit of indemnity is less than the said minimum limits solely as a result of having been reduced by reason of previous claims.

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

### DEFINED EVENTS

#### 1. Extended Cover

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

#### 2. Restricted Cover (If stated in the Schedule to be included)

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

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

### SPECIFIC EXCEPTIONS

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

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

#### PROVIDED THAT:

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

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

#### PROVIDED THAT:

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

- (e) death directly or indirectly caused by or in consequence of:
  - (i) any surgical operation unless conducted by a qualified veterinary surgeon and is certified by him/her to have been necessitated solely by accident, disease or illness and to have been carried out in an attempt to preserve the pedigreed animal's, livestock, game or ostrich's life;
  - (ii) the administration of any medication unless by a qualified veterinary surgeon (or experienced personnel directed by him/her) and certified by a veterinary surgeon to have been of a prophylactic nature or necessitated by accident, disease or illness. As used herein "medication" includes any drug, hormone, vitamin, protein or other substance other than unadulterated food or water;
- (f) consequential loss however this may arise;
- (g) liability to third parties;
- (h) theft;
- (i) loss or damage incurred in transit while any vehicle is being driven by:
  - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
  - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles

PROVIDED THAT:

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

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

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| SPECIFIC CONDITIONS |
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1. Notification of claim

Notwithstanding anything to the contrary contained in General Condition 7:

- (a) the Insured shall give immediate notice to the Company of any illness or of accident to any pedigreed animal, livestock, game or ostriches described in the Schedule and shall at his/her own expense immediately provide for adequate attendance and treatment by a veterinary surgeon and when required shall furnish a report by the attending veterinary surgeon on the condition of the pedigreed animal, livestock, game or ostriches. The Insured shall at all times use and exercise all due and reasonable care and safeguard against loss or danger of loss and

shall comply with all reasonable regulations and directions given by the Company or by a veterinary surgeon employed by the Company;

- (b) on the death of any pedigreed animal, livestock, game or ostriches described in the Schedule the Insured shall immediately give notice thereof to the Company and shall give the Company the opportunity of inspecting the carcass by not cutting or disposing of such carcass before expiry of a minimum period of 24 (twenty-four) hours after such notice has been received by the Company. The Insured at his/her own expense shall within 14 (fourteen) days after being requested so to do furnish the Company with such information accompanied by such veterinary certificates and satisfactory proof as to death, identity and value of the pedigreed animal, livestock, game or ostriches as the Company may require. The burden of proving that an insured pedigreed animal, livestock, game or ostriches has not died from an excluded cause as described in this Section shall rest upon the Insured. If the claim be admitted the Insured shall dispose of the carcass to the best advantage and the amount realised shall belong to the Company.

2. Condition of animals

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

3. First Amount Payable

The Company shall not be liable for:

- (a) the first 10% (ten percent) or R500 (five hundred rand) whichever is the greater of each and every claim  
or  
(b) the first amount percentage and/or First Amount Payable stated in the Schedule whichever is the greater of each and every claim.

4. Period of transit

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

- (a) temporary storage whilst on quays and/or wharves and  
(b) warehouses and/or sheds at such destination whilst awaiting shipment for a period not exceeding 7 days

PROVIDED THAT:

cover in terms of this Section will cease the moment such goods

- (i) cross the ship's rail (Free on Board) or  
(ii) enter the aircraft perimeter to the loading space (Free on Board).

5. Refusal of receipt

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

PROVIDED THAT:

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



6. Other means of conveyance

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

PROVIDED THAT:

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

7. Breakdown of means of conveyance

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

8. 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 maximum limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

9. Fire extinguishing charges

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

PROVIDED THAT:

the maximum amount payable under this Specific Condition shall not exceed R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater in respect of any single event.

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| ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE |
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1. Hijacking cover

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

PROVIDED THAT:

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

2. Riot and strike

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

- (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 inter-ruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from con-fiscation, 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.

## LIVESTOCK

### DEFINED EVENTS

The Company shall indemnify the Insured against the following contingencies:

#### SUB-SECTION A

Loss resulting from death or destruction of the livestock (including pedigreed animals) described in the Schedule directly caused by fire or lightning excluding whilst in transit.

#### SUB-SECTION B

Loss resulting from death or destruction of the livestock (including pedigreed animals) described in the Schedule directly caused by violent accident (excluding storm, wind, water, hail or snow but included whilst in transit) or euthanasia which is administered on the authority of a qualified veterinary surgeon as a result of injuries caused by the insured perils.

### SPECIFIC EXCEPTIONS

The Company shall not be liable for loss caused by or arising from:

1. frostbite, poisoning of any kind or strange objects in the alimentary canal of any of the livestock, erroneous feeding or erroneous dosage whether malicious or by accident;
2. trampling or suffocation resulting in death or destruction whilst in transit in or any conveying vehicle;
3. attack by dogs or wild animals;
4. actions performed for the Insured by independent contractors or liabilities assumed by the Insured by contract or agreement;
5. damage to or loss of livestock (including pedigreed animals) 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;
6. any disease, ailment or condition in any animal described in the Schedule, carcass or product thereof which may spread, contaminate or otherwise injure;
7. confiscation, requisition, destruction or detention of any livestock (including pedigreed animals) by order of any statute, government or public authority;
8. risks of contraband or illegal transportation or trade;
9. slaughter of livestock (including pedigreed animals) 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;

10. consequential loss of any nature whatsoever;
11. loss or damage incurred while any vehicle is being driven by:
  - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
  - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person

exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles.

PROVIDED THAT:

any driver shall be deemed to be licensed to drive the vehicle if he is complying with the licensing laws relating to any of the territories referred to under the territorial limits stated in Specific Exception 14 of this Section, or if non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal, or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners;

12. loss of or damage to the Insured property consequent upon hijacking or any attempt thereat;
13. loss of or damage as a result of theft or any attempt threat of the Insured property;
14. loss or damage to property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mosambique.

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| SPECIFIC CONDITIONS |
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1. **CONDITION OF ANIMALS**

Livestock (including pedigreed animals) described in the Schedule must all be sound and in perfect health and free from injury at the commencement of this insurance.

2. **DEATH OF LIVESTOCK (INCLUDING PEDIGREED ANIMALS)**

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

PROVIDED THAT:

in the event of claims for the death of livestock (including pedigreed animals) 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 animals the Insured possessed as well as the total number of animals not belonging to, or held in the trust by, or in the custody, or under control of the Insured or any employee or agent of the Insured
- (b) all claims above R5 000 (five thousand rand) must be accompanied by a veterinary report.

3. **UNDERINSURANCE IN RESPECT OF NUMBERS**

If at the time of any loss of the livestock (including pedigreed animals) as insured under this Section against the perils as Defined herein it is found that the number of the animals is higher than the number insured then the Insured shall be considered being his own insurer for the difference. Every item, if more than one, shall be separately subject to this Specific Condition

PROVIDED THAT:

a) the Insured shall bear a rateable share of each and every loss.

**4. FIRST AMOUNT PAYABLE IN RESPECT OF LOSS BY LIGHTNING**

In the event of the livestock (including pedigreed animals) insured by this Section being destroyed as a result of lightning the Insured shall be responsible for the first 10% (ten percent) of each and every loss with a minimum of R250 (two hundred and fifty rand) in the case of large stock and R150 (one hundred and fifty rand) in the case of small stock.

**5. FIRE EXTINGUISHING CHARGES (APPLICABLE TO TRANSIT COVER ONLY)**

Any costs relating to the extinguishing of 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.

**6. DEBRIS REMOVAL (APPLICABLE TO TRANSIT COVER)**

The insurance under this Policy includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a maximum limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any Defined Event.

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| <b>ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE</b> |
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**1. ATTACK BY DOGS AND WILD ANIMALS**

In consideration of the payment of an additional premium the cover under this Section is hereby extended to include loss or damage in respect of death of the livestock (including pedigreed animals) described in the Schedule, directly caused by attack by dogs or wild animals excluding dogs or wild animal belonging to the Insured, members of his household or his employees or kept in their custody. It is a condition precedent to liability under this extension that the Insured shall notify the Company as well as the Police as soon as possible after the loss or damage and that he will seriously endeavour to identify the dogs or wild animals and their owners

PROVIDED THAT:

the Insured shall be liable for the first 10% (ten percent) of each and every claim with a minimum of R250 (two hundred and fifty rand).

**2. FIRE AND LIGHTNING ONLY**

Sub-Section B of this Section is cancelled.

**3. FREEZING OF LIVESTOCK (INCLUDING PEDIGREED ANIMALS)**

In consideration of the payment of an additional premium the cover under this Section is hereby extended to include the following:

loss or damage in respect of death or destruction of the livestock (including pedigreed animals) described in the Schedule directly caused by:

(a) storm, wind, water, hail and snow;

(b) freezing with the exception of loss or damage due to a drop of temperature which is not accompanied by storm, wind, water, hail or snow

PROVIDED THAT:

(i) the Insured shall be responsible for the following First Amounts Payable in the event of each and every claim which may occur:

(a) **ANGORA GOATS:**

(i) Within 2 months after been shorn - 25% of the claim (Minimum R500)

(ii) Otherwise - 10% of the claim (Minimum R250)

(b) **ALL OTHER GOATS AND SHEEP:**

(i) Within 2 months after been shorn - 10% of the claim (Minimum R250)

(ii) Otherwise - 5% of the claim (Minimum R150)

(c) **LARGE ANIMALS:** - 10% of the claim (Minimum R250)

(ii) no cover in terms of this Extension will be applicable within the first 7 (seven) days after inception of such cover.

#### 4. HIJACKING COVER

In consideration of the payment of an additional premium Specific Exception 12 of this Section is cancelled and cover is extended to include loss of or damage to the property as stated in the Schedule as a result of Hijacking.

PROVIDED THAT:

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

#### 5. RIOT AND STRIKE

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

(i) civil commotion, labour disturbances, riot, strike or lockout;

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

Provided that this Extension does not cover:

(a) loss or damage occurring in the Republic of South Africa and Namibia;

(b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;

(c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;

(d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;

(e) loss or damage related to or caused by any occurrence referred to in General Exception 1 (A)(ii), (iii), (iv), (v) or (vi) of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

## PEDIGREED ANIMALS

### DEFINED EVENTS

The Company shall indemnify the Insured in respect of death during the period of insurance of any pedigreed animal specified in the Schedule (or for insurance for an annual period only in the event of death of such pedigreed animal occurring within 30 (thirty) days after the expiry of this insurance as a result of any accident occurring, or illness or disease manifesting itself during the currency hereof and subject to written notice of such accident, illness or disease having been given to the Company before expiry of this insurance) for the actual value of such pedigreed animal at the time of the accident (or manifesting of illness or disease) causing its death

### PROVIDED THAT:

the liability of the Company shall in no case exceed the limit of liability specified in the Schedule in respect of such pedigreed animal

### SPECIFIC EXCEPTIONS

The Company shall not be liable in respect of loss directly or indirectly resulting from or arising out of:

- (a) destruction in compliance with the requirements of any statute or any order of a government department or local authority;
- (b) unfitness for or incapacity to fulfil the functions or duties for which the pedigreed animal is kept;
- (c) accident or disease sustained or contracted elsewhere than in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe, Malawi and Mosambique;
- (d) accident or disease sustained or contracted during transit by air or by sea;
- (e) accidental plant poisoning or poisoning arising out of feeding and/or watering and/or dipping except to the extent of 65% (sixty five percent) of the sum insured;
- (f) the intentional slaughter or destruction of pedigreed animals whether by or under order of any government or public or local authority or any person or body having jurisdiction in the matter or otherwise

### PROVIDED THAT:

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

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

### PROVIDED THAT:

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



- (g) death directly or indirectly caused by or in consequence of:
  - (i) any surgical operation unless conducted by a qualified veterinary surgeon and is certified by him/her to have been necessitated solely by accident, disease or illness and to have been carried out in an attempt to preserve the pedigreed animal's life;
  - (ii) the administration of any medication unless by a qualified veterinary surgeon (or experienced personnel directed by him/her) and certified by a veterinary surgeon to have been of a prophylactic nature or necessitated by accident, disease or illness. As used herein "medication" includes any drug, hormone, vitamin, protein or other substance other than unadulterated food or water;
- (h) redwater fever;
- (i) heartwater fever;
- (j) gall sickness;
- (k) pulpy kidney;
- (l) blue tongue;
- (m) any thick borne disease manifesting itself within 30 (thirty) days of the inception of the Policy;
- (n) consequential loss however this may arise;
- (o) liability to third parties;
- (p) theft of pedigreed animals;
- (q) loss or damage incurred in transit while any vehicle is being driven by:
  - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
  - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles

PROVIDED THAT:

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

- (r) loss of or damage to the insured property consequent upon Hijacking or any attempt thereat;
- (s) trampling or suffocation resulting in death or destruction of pedigreed animals whilst in transit in or on any means of conveyance.

## SPECIFIC CONDITIONS

### 1. Situation and Use

No pedigreed animal shall be removed from the premises as stated in the Schedule for the purpose of being kept permanently elsewhere without the written consent of the Company.

No pedigreed animal shall be used for purposes other than those stated in the proposal without the written consent of the Company.

### 2. Notification of claim

Notwithstanding anything to the contrary contained in General Condition 7:

(a) the Insured shall give immediate notice to the Company of any illness of or accident to any pedigreed animal, described in the Schedule and shall at his/her own expense immediately provide for adequate attendance and treatment by a veterinary surgeon and when required shall furnish a report by the attending veterinary surgeon on the condition of the pedigreed animal, livestock, game or ostriches. The Insured shall at all times use and exercise all due and reasonable care and safeguard against loss or danger of loss and shall comply with all reasonable regulations and directions given by the Company or by a veterinary surgeon employed by the Company;

(b) on the death of any pedigreed animal, livestock, game or ostriches described in the Schedule the Insured shall immediately give notice thereof to the Company and shall give the Company the opportunity of inspecting the carcass by not cutting or disposing of such carcass before expiry of a minimum period of 24 (twenty-four) hours after such notice has been received by the Company. The Insured at his/her own expense shall within 14 (fourteen) days after being requested so to do furnish the Company with such information accompanied by such veterinary certificates and satisfactory proof as to death, identity and value of the pedigreed animal as the Company may require. The burden of proving that an insured pedigreed animal has not died from an excluded cause as described in this Section shall rest upon the Insured. If the claim be admitted the Insured shall dispose of the carcass to the best advantage and the amount realised shall belong to the Company.

### 3. Condition of animals

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

### 4. Fire extinguishing charges (Applicable to Transit cover only)

If the property described in the Schedule is lost or damaged by fire whilst in course of a transit insured by this Section the Company will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire provided that the maximum amount payable under this Specific Condition shall not exceed R10 000 (ten thousand rand) any single event.

### 5. Debris removal (Applicable to Transit cover only)

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a maximum limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

### 6. First Amount Payable

The Company shall not be liable for:

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

or

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

7. Period of transit

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

8. Refusal of receipt

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

PROVIDED THAT:

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

9. Other means of conveyance

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

PROVIDED THAT:

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

10. Breakdown of means of conveyance

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

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| ENDORSEMENTS APPLICABLE IF SO STATED IN THE SCHEDULE |
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1. Impotency of Pedigreed Bulls or Pedigreed Rams as a result of accident only

Should the pedigreed bull or pedigreed ram described in the Schedule be proved by production of satisfactory evidence and certificates to be permanently impotent or infertile or to be permanently incapable of natural service as a result of an injury caused by visible violence as a result of an external accident and sustained during the period of insurance the Company shall after a period of 3 (three) calendar months has elapsed from the date of notification of the impotency, infertility or incapability of natural service, make good the difference between the sum realised by the disposal of the pedigreed bull or pedigreed ram and the amount insured as stated in the Schedule.

PROVIDED THAT:

the Company shall not be liable for:

- (a) any claims in respect of consequential loss however this may arise;
- (b) any claims in respect of pedigreed rams younger than 6 (six) months or older than 4 (four) years

PROVIDED FURTHER THAT:

it shall be a condition prior to the commencement of cover and any subsequent term of insurance following thereupon in terms of this Extension that a fertility certificate issued by a qualified veterinary surgeon be obtained and submitted to the Company. Such fertility certificate must be obtained within 60 (sixty) days prior to the commencement of cover.



2. Impotency of Pedigreed Bulls or Pedigreed Rams as a result of accident and/or illness

Should the pedigreed bull or pedigreed ram described in the Schedule be proved by production of satisfactory evidence and certificates to be permanently impotent or infertile or to be permanently incapable of natural service as a result of an injury caused by visible violence as a result of an external accident or as a result of illness and sustained during the period of insurance the Company shall after a period of 3 (three) calendar months has elapsed from the date of notification of the impotency, infertility or incapability of natural service, make good the difference between the sum realised by the disposal of the pedigreed bull or pedigreed ram and the amount insured as stated in the Schedule.

PROVIDED THAT:

the Company shall not be liable for:

- (a) any claims in respect of consequential loss however this may arise;
- (b) any claims in respect of pedigreed rams younger than 6 (six) months or older than 4 (four) years

PROVIDED FURTHER THAT:

it shall be a condition prior to the commencement of cover and any subsequent term of insurance following thereupon in terms of this Extension that a fertility certificate issued by a qualified veterinary surgeon be obtained and submitted to the Company. Such fertility certificate must be obtained within 60 (sixty) days prior to the commencement of cover.

3. Redwater Fever

Specific Exception (h) of this Section is cancelled.

4. Heartwater Fever

Specific Exception (i) of this Section is cancelled.

5. Gall Sickness

Specific Exception (j) of this Section is cancelled.

6. Pulpy Kidney (Enterotoxaemia)

Specific Exception (k) of this Section is cancelled provided that the particular pedigreed animal has been inoculated against this illness within the 6 (six) months prior to the death thereof and provided further that the serum has been correctly stored and used as prescribed in the directions of use.

7. Blue Tongue

Specific Exception (l) of this Section is cancelled provided that the particular pedigreed animal has been inoculated against this illness within the 12 (twelve) months prior to the death thereof and provided further that the serum has been correctly stored and used as prescribed in the directions of use.

MEMO APPLICABLE TO ENDORSEMENTS 6 AND 7:

It shall be a condition prior to the admitting of a claim under this Section that proof of inoculation in the form of a certificate signed by a veterinary surgeon or if the Insured has administered the inoculation himself/herself a certificate signed by the Insured and counter signed by a neighbouring farmer shall be received by the Company immediately after the administration of the inoculation and prior to the occurrence of a claim.

8. Calf Extension

It is hereby declared and agreed that this Section is extended to provide cover for a calf or twin calves older than 24 (twenty four) hours but less than 6 (six) months of age provided that the Company's liability in respect of such calf or twin calves shall not exceed 20% (twenty percent) of the insured amount of the insured cow.

This Extension shall not be applicable in respect of twin calves in the event of the death of only one of them. In the event of payment of compensation in terms of this extension the insured amount of the insured cow shall be reduced by the amount of such compensation.

9. Plant Poisoning

Specific Exception (e) of this Section is cancelled.

10. Hijacking Cover

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

PROVIDED THAT:

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

11. Riot and strike

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

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

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or inter-ruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from con-fiscation, 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.



## IRRIGATION SYSTEMS ON WHEELS AND CENTRE PIVOTS

### SUB-SECTION A – LOSS OR DAMAGE

#### DEFINED EVENTS

Loss of or damage to any vehicle described in the Schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the Company will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the prior consent of the Company to the extent of but not exceeding R5 000 (five thousand rand) over and above the amount of the First Amount Payable for which the Insured is responsible under this Sub-Section provided that a detailed estimate is first obtained and immediately forwarded to the Company. The Company will also pay the reasonable cost of delivery to the Insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi or Mozambique.

#### Basis of Indemnity

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

#### PROVIDED THAT:

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

#### PROVIDED FURTHER THAT:

- (i) the limit of indemnity for each vehicle is as stated in the Schedule and shall be the maximum amount payable by the Company in respect of such loss or damage, but shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such loss or damage.
- (ii) in the event of any part, accessory or fitment needed to replace damage to the vehicle being unprocurable in the Republic of South Africa, Namibia and Botswana as a standard (ready manufactured) article, the liability of the Company shall be met by the payment of a sum equaling the value of such part, accessory or equipment at the time of the accident but not in any case exceeding the manufacturer's latest list price as well as import cost for such part, accessory or fitment
- (iii) if, to the knowledge of the Company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of such loss or damage

- (iv) in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion) under this Sub-Section, the Insured shall be responsible for the First Amount Payable stated in the Schedule of any expenditure (or any less expenditure which may be incurred) for which provision is made under this Sub-Section (including any payment in respect of costs, expenses and fees), and of any expenditure by the Company in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the Company shall include any First Amount Payable for which the Insured is responsible, such amount shall be paid by the Insured to the Company forthwith.

#### EXCEPTIONS TO SUB-SECTION A

The Company shall not be liable to pay for;

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

#### SUB-SECTION B – LIABILITY TO THIRD PARTIES

##### Defined Events

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

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

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

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this Sub-Section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this Sub-Section, provided that the total of the Company's liability under both this Extension and Sub-Section B shall not exceed the limit of indemnity stated to apply to Sub-Section B
2. indemnify any person who operates or controls such vehicle on the Insured's order or with the Insured's permission

##### PROVIDED THAT:

- (a) such person shall, as though he/she/they were the Insured, observe, fulfill and be subject to the Terms, Exceptions and Conditions of this insurance in so far as they can apply
- (b) such person operating or controlling such vehicle has not been refused any motor insurance or continuance thereof by any insurer
- (c) indemnity shall not apply in respect of claims made by any member of the same household as such person
- (d) such person is not entitled to indemnity under any other Policy except in respect of any amount not recoverable thereunder

## SPECIFIC EXCEPTIONS TO SUB-SECTION B

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

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

### Limits of Indemnity

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

## DEFINITIONS

### 1. Occurrence

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

### 2. Vehicle

The term vehicle shall mean;

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

### 3. Third Party

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

### 4. Third Party and Fire

For the purposes of this Insurance the term "Third party and Fire" shall mean:

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

5. Third Party, Fire and Theft

For the purposes of this Insurance the term "Third party, Fire and Theft" shall mean:

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

6. No Claim Discount provisions (Not applicable if Optional Limitations 1, 2 or 3 are applicable)

No Claim Discount 1 to 4 applicable on vehicles

In the event of no claim arising under this Section during a Period of Insurance (or Term of Insurance in the case of a Monthly Policy) specified below immediately preceding the renewal of this Section, the Renewal Premium (or Renewal Premiums for the Term of Insurance in the case of a Monthly Policy) for that vehicle will be calculated in accordance with the No Claim Discount scale stated below:

| <u>Term of Insurance</u>              | <u>No Claim Bonus</u> |
|---------------------------------------|-----------------------|
| less than one year                    | 0%                    |
| the preceding year                    | 15%                   |
| the preceding two consecutive years   | 20%                   |
| the preceding three consecutive years | 30%                   |
| the preceding four consecutive years  | 40%                   |

However should a claim arise in respect of a vehicle stated above during any Period of Insurance (or Term of Insurance in the case of a Monthly Policy) when No Claim Discounts of 30% (thirty percent) or 40% (forty percent) applies, the Renewal Premium for the subsequent Period of Insurance (or Renewal Premiums for the subsequent Term of Insurance in the case of a Monthly Policy) will be calculated on No Claim Discount 15% (fifteen percent) or 20% (twenty percent), respectively.

If more than one vehicle is described in the Schedule the No Claim Discount shall be applied as if a separate Policy had been issued in respect of each vehicle.

Unless the Company consent to a transfer of interest in this Policy the Claim Free Group/No Claim Discount is not transferable.

## EXTENSIONS

### 1. RIOT AND STRIKE (If stated in the Schedule to be included)

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

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

Provided that this Extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa or Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in General Exception 1(A) (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.

### 2. FIRE EXTINGUISHING CHARGES

Any costs (not exceeding R5 000 (five thousand rand)) relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided the Insured is legally liable for such costs and the insured property was in danger from the fire.

### 3. WRECKAGE REMOVAL

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a Defined Event, provided that, in addition to the limit of indemnity under Sub-Section A of this Section, the limit of the Company's liability under this Extension shall not exceed, in respect of any one occurrence, the amount of R10 000 (ten thousand rand) or the limit stated in the Schedule whichever is the greater.

### 4. CREDIT SHORTFALL

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

- (a) any arrears installments 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 installments or rental that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled
- (d) the First Amount Payable under Sub-Section A

PROVIDED 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 installment other than the final residual amount after the initial payment differs by more than 10% (ten percent) from any other installment
- (iii) if such shortfall is as a result of a re-advance under an installment sale or refinancing in terms of a lease the insurance by this Extension shall be void.

## 5. DAMAGE TO TYRES

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

PROVIDED THAT

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

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

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| MEMORANDA |
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## 1. PREMIUM ADJUSTMENT

Specified vehicles

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

PROVIDED THAT:

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

## 2 WAR

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

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

### 3. DESCRIPTION OF USE

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

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

### 4. MAINTENANCE OF MOTOR VEHICLE

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

PROVIDED THAT:

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

### 5. WAIVER OF SUBROGATION RIGHTS

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

### 6. PRINCIPALS

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

### 7. CROSS LIABILITIES

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

## OPTIONAL LIMITATIONS

1. THIRD PARTY ONLY LIMITATION (If stated in the Schedule to be applicable)

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

2. THIRD PARTY AND FIRE INSURANCE ONLY (If stated in the Schedule to be applicable)

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

3. THIRD PARTY, FIRE AND THEFT ONLY (If stated in the Schedule to be applicable)

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

## SPECIFIC EXCEPTIONS APPLICABLE TO ALL SUB-SECTIONS

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

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

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



## FIRE – CROP AND STACK

### DEFINED EVENTS

The Company shall indemnify the Insured for loss or damage due to fire or lightning to the crops and stacks described in the Schedule during the period of insurance and at the locations described in the Schedule

#### PROVIDED THAT:

1. the Company shall not pay more than the reasonable market value of the property insured immediately prior to the loss or damage;
2. the Company's liability shall not exceed the Sum Insured stated in the Schedule.

The insurance under this Section includes the crop whilst standing on the land, being harvested, bundled, piled, baled, stacked, thrashed, foraged and contained loose or in bags in the fields where it has been harvested and whilst in transit to a stack or to the railway station or depot and in any place where it is stored prior to being sold.

This Section also includes any such number of empty bags on the lands or at the stacks as may be required for the normal activities of one day.

### SPECIFIC EXCEPTIONS

The Company shall not be liable to pay for any claims of whatsoever nature resulting from:

1. loss or damage to the property insured caused by spontaneous fermentation, natural heating or spontaneous combustion thereof or by reason of it undergoing any process of heating or drying;
2. loss or damage caused by or through or as a result of:
  - (a) burning of property on the instructions of any public authority;
  - (b) subterranean fire;
  - (c) explosion unless caused by explosion of gas used for lighting or domestic purposes in a building not used for the manufacturing of gas and not forming part of a gas factory.

### CLAUSES AND EXTENSIONS

This Section is extended to include the following:

#### A. IN RESPECT OF PROPERTY CONTAINED IN FULLY ENCLOSED BUILDINGS ONLY

##### 1. Special perils

Loss of or damage to property described herein directly caused by the following:

- (a) STORM, WIND, WATER, HAIL OR SNOW excluding destruction of or damage to property
  - (i) arising from any process necessarily involving the use or application of water;
  - (ii) caused by tidal wave originating from earthquake or volcanic eruption;
  - (iii) in the underground workings of any mine;
  - (iv) in the open;
  - (v) in any structure not completely enclosed or completely roofed.

- (b) AIRCRAFT, OTHER AERIAL DEVICES OR ARTICLES DROPPED THEREFROM.
- (c) IMPACT BY ANIMALS OR VEHICLES excluding destruction of or damage to such animals, vehicles or property in or on such vehicles.

THIS EXTENSION DOES NOT COVER THE FOLLOWING:

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

2. Earthquake (Fire and Shock risk)

Destruction or damage by fire or otherwise of or to the insured property caused directly by earthquake excluding any loss or damage (except loss or damage by fire) arising directly or indirectly from any mining operations.

3. Explosion

Destruction or damage by fire or otherwise to the property directly caused by explosion

PROVIDED THAT:

- (a) destruction or damage is not excluded in accordance with Specific Exception 2(c).

4. Spontaneous Combustion

Damage only by fire to the entire or a portion of the property insured (in terms of which this Extension applies) caused by its own spontaneous fermentation, natural heating, or spontaneous combustion of such property insured

PROVIDED THAT:

- (a) destruction or damage is not excluded in terms of Specific Exception 2.

B. IN RESPECT OF PROPERTY IN TRANSIT

- 1. Loss or damage to property in transit (seed crops and fodder) from the farm to the nearest railway station, depot, gent or place of storage

PROVIDED THAT:

- (a) except for loss by fire the Insured shall be responsible for the first R1 000 (one thousand rand) in respect of each and every claim.

C. MALICIOUS DAMAGE

- 1. 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:

- (a) movable property which is
  - (i) stolen;

- (ii) damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;
- (b) movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured;
- (c) immovable property owned or occupied by the Insured occasioned by or through or in consequence of:
  - (i) the removal or partial removal or any attempt thereof;
  - (ii) the demolition or partial demolition or any attempt thereof;
 the said immovable property or any part thereof with the intention of stealing any part thereof

PROVIDED THAT:

this Extension does not cover:

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

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

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

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

**D. RIOT AND STRIKE (If stated in the Schedule to be included)**

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

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

Provided that this Extension does not cover:

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

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

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| <b>SPECIFIC CONDITIONS</b> |
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**1. RAILWAY, FUEL PIPELINE AND FUEL STORAGE SUBROGATION**

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

**2. TENANTS**

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

**3. FIRE EXTINGUISHING CHARGES**

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

PROVIDED THAT:

the Company's liability shall not exceed R10 000 (ten thousand rand).

**4. UNDERINSURANCE**

Applicable to:

- (a) Crop

If at the time of a claim the number of hectares declared hereunder and in terms of which the yield is estimated is less than the actual number, the estimated yield shall be increased accordingly and average shall be determined as follows:

The Insured shall be considered his own insurer for the difference, based on calculations as set out above, and shall bear a rateable proportion of the loss accordingly.

- (b) Stacks

If on the commencement of any destruction of or damage to property insured by any insured peril the value of the property is collectively greater than the sum insured thereon, the Insured shall be considered his/her own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Each item insured, if more than one, shall be separately subject to this condition.

5. **COMPULSORY FIRST AMOUNT PAYABLE APPLICABLE TO SEED CROPS**

The Insured shall be liable for the first 10% (ten percent) of each and every claim (excluding whilst in transit) subject to a minimum of R1 000 (one thousand rand) and a maximum R10 000 (ten thousand rand)

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| <b>WARRANTIES</b> |
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1. **STACK WARRANTY**

Warranted that any stacks consisting of "Ouland" grass (*Eragrostis*) and/or field grass insured hereunder shall consist of grass harvested during the current season.

Otherwise subject to the terms, conditions and exceptions of this Section and Policy.

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| <b>MEMORANDA</b> |
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**MEMORANDUM 1: APPLICABLE TO CRUDE FODDER**

In the event of loss or damage to property insured caused by fire or lightning as described in this Section the Company's liability shall be limited to:

- (a) 85% (eighty five per cent) of the nominated value immediately prior to the loss or damage or the sum insured, whichever is the lesser, in respect of property insured inside buildings;
- (b) 75% (seventy five per cent) of the nominated value immediately prior to the loss or damage or the sum insured, whichever is the lesser, in respect of property insured:
  - (i) standing on the lands;
  - (ii) left harvested in the fields in the process of preparation and gathering;
  - (iii) left baled in the fields in the process of gathering;
  - (iv) packed in a stack/pile or packed in a group of stacks/piles constituting one fire risk exceeding in the aggregate R350 000 (three hundred and fifty thousand rand) in value;
- (c) 85% (eighty five per cent) of the nominated value immediately prior to the loss or damage or the sum insured, whichever is the lesser, in respect of property insured packed in a stack/pile or packed in a group of stacks/piles constituting one fire risk not exceeding in the aggregate R350 000 (three hundred and fifty thousand rand) in value

**PROVIDED THAT:**

- (i) the liability of the Company shall be limited to 85% (eighty five per cent) per building in respect of Memorandum 1(a) above;
- (ii) the liability of the Company shall be limited to 75% (seventy five per cent) of the sum insured or R412 500 (four hundred and twelve thousand five hundred rand), whichever is the lesser, in respect of Memorandum 1(b)(iv) above;

- (iii) the liability of the Company shall be limited to 85% (eighty five per cent) of the sum insured or R297 500 (two hundred and ninety seven thousand five hundred rand), whichever is the lesser, in respect of Memorandum 1(c) above;
- (iv) these Memoranda shall apply separately to every stack/pile, group of stacks/piles constituting one fire risk and per building;
- (v) in the event of any existing insurance the Company shall be liable only for its proportionate share of:
  - (a) 85% (eighty five per cent) in respect of Memoranda 1(a) and 1(c) above and
  - (b) 75% (seventy five per cent) in respect of Memoranda 1(b)(iv) above
 or the nominated value immediately prior to the loss or damage or the sum insured, whichever is the lesser;
- (vi) the Insured shall be considered his own insurer for 15% (fifteen per cent) in respect of Memoranda 1(a) and 1(c) above and/or 25% (twenty five per cent) in respect of Memorandum 1 (b)(iv) above of the nominated value of the property insured or the sum insured, whichever is the lesser, and shall bear 15% (fifteen per cent) of any loss in respect of Memoranda 1(a) and 1(c) above and/or 25% (twenty five per cent) of any loss in respect of Memorandum 1(b)(iv) above;
- (vii) preparation, baling, transport, handling and other costs not incurred by the Insured shall be deducted from the claim except as defined in Memoranda 1(a), 1(c) and 1(b)(iv) above;
- (viii) one or more stacks/piles or groups of stacks/piles collectively not exceeding R550 000 (five hundred and fifty thousand rand) in value and situated at least 100 (one hundred) metres from each other shall be deemed to constitute one fire risk.

**MEMORANDUM 2: ADDITIONAL FIRST AMOUNT PAYABLE (where applicable)**

Over and above any other First Amount Payable already determined the Insured shall be responsible for an additional First Amount Payable of 15% (fifteen per cent) of the nominated value unless the following Memoranda are strictly adhered to:

- (a) An area of at least 10 (ten) metres wide shall be kept free from all flammable materials around every stack/pile or group of stacks/piles constituting one fire risk;
- (b) An area of at least 5 (five) metres wide shall be kept free from all flammable materials around every building containing crude fodder.