



Jacana Bryte Wine and Dine

Policy Wording

Protection of Personal Information

We at Bryte, respect your constitutional right to privacy. We are committed to and bound by the terms and provisions of the Protection of Personal Information Act 4 of 2013 ("POPI") regarding the acquisition, usage, retention, transmission and deletion of your personal information. We will check and validate the information you provide through legal means. We have high level security measures in place to protect your personal information.

Your personal information herein collected is for the primary purpose of providing you with insurance cover and for all other activities and processes incidental to and relevant to this purpose. Your information shall be kept confidential, however, we shall disclose it to certain third parties as required and other insurers for the specific purpose of insurance and to reduce and prevent any form of fraudulent activity. Sharing of information includes, but is not limited to, information sharing as arranged via the South African Insurance Association.

You hereby give consent and fully understand the reason for Bryte to process, use, share and retain your personal information for its designated purpose and you confirm the accuracy of the information.

You may request Bryte to amend, update, change or correct your personal information processed by us by sending a request to your broker or your nearest Bryte offices.

A full version of our Privacy Statement is available on this link for download:

<https://www.brytesa.com/legal?section=privacy>

Should you decide to cancel this insurance contract you further consent to Bryte retaining the information in line with the legally permitted retention period, for statistical and reporting purposes only.

Should you decide not to accept the proposal, the information collected, will be de-identified and only used for statistical and research purposes.

Your Bryte Wine, Dine & Leisure short-term insurance policy

1. The policy is your contract

This policy is an insurance contract with Bryte Insurance Company (Bryte). We pay all valid claims if you comply with the terms and conditions of this policy. There are events and items that we do not cover, or that we only pay a maximum amount for.

2. Three sets of information make up this contract

Your policy is made up of the three sets of information: the policy terms and conditions, the policy schedule and the proposal information. These three sets of information are the whole contract with us. Only promises and statements contained in these three documents form part of the policy.

a. Policy terms and conditions (this document)

This document sets out the policy terms and conditions. They include your rights and duties, our rights and duties, how to claim, and events and items that we do and do not cover.

b. Policy Schedule

The policy schedule contains information that is particular to your business. It includes the type of cover, the amounts covered for, the premiums payable and the excesses that apply.

c. Proposal information

This is also information that is particular to your business. Proposal information is the information that is given to us about you when you propose for cover. We use your proposal information to calculate the cover that you receive and the premiums that is payable.

3. Method of Payment

Your premium is payable in advance at the beginning of each month. For monthly policies, payment is made by debit order only.

For quarterly or annual policies, payment is made by debit order or an electronic transfer to Bryte.

4. Sasria

We do not pay for any claims for loss or damage from events and items covered by Sasria. We will send you the Sasria terms on request. We will help you to claim from Sasria.

If we inform you that Sasria does not cover the loss or damage you are claiming for, you are responsible for proving that Sasria does cover the loss or damage.

Please refer to www.sasria.co.za for current and applicable policy wordings.

5. Premium Discount

We offer certain discounts to customers who are members of certain tourism associations. The maximum discount allowed is 10% applied to certain sections.

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General exceptions, conditions and provisions

Subject to the terms, exceptions and conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of the Insured and receipt thereof by or on behalf of the Company, the Company specified in the schedule agrees to indemnify or compensate the Insured by payment or, at the option of the Company, by replacement, reinstatement or repair in respect of the defined events occurring during the period of 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 it's name.

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

General exceptions

1. War riot and terrorism

- a. This policy does not cover any claim, loss, damage, cost or expense of any nature whatsoever related to or caused, whether directly or indirectly, 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. – 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;
– 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 A (i), (ii), (iii), (iv), (v) or (vi) above.

If the Company alleges that by reason of clause A (i), (iii), (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 the 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 other sequence to the loss, damage or expense.
- d. This Policy does not cover any loss(es) in anyway caused or contributed to by an act of terrorism involving the use or release or the threat thereof of any nuclear weapon or device or chemical or biological agent.

For the purpose of this general exception 1(C) an act of terrorism includes the use of force or violence or the threat thereof whether 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 for inspiring fear in the public, or any section thereof.

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

2. **Asbestos [applicable to the Liability Section and Sub-Section D (Liability) of the Material Damage Section]**

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

3. **Nuclear**

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

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

regardless of any other cause or event contributing concurrently or in any other sequence to the loss. For the purpose of this exception only, combustion shall include any self-sustaining process of nuclear fission.

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 any nature;
- c. any consequential loss;

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

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

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

Special extension to general exception 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 Glass or Motor Section is not excluded by this General exception.

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

- i. Storm, wind, water, hail or snow excluding damage to property:
- arising from its undergoing any process necessarily involving the use or application of water;
 - caused by tidal wave originating from earthquake or volcanic eruption;
 - in the underground workings of any mine;
 - in the open (other than buildings, structures and plant designed to exist or operate in the open);
 - in any structure not completely roofed;
 - being retaining walls;
 - by wear and tear or gradual deterioration.
- ii. aircraft and other aerial devices or articles dropped therefrom; Unless so described and specifically insured as separate item
- iii. impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

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

- b. General exception 3 also does not apply to consequential loss as insured by any Consequential Loss 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 Liability indemnity.

5. Commandeering clause

It is hereby declared and agreed that cover provided under the policy does not cover loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisitioning by any lawfully constituted authority.

6. Sanctions clause

Notwithstanding any other terms under this insurance contract, no insurer shall be deemed to provide coverage or will make any payments or provide any service or benefit to any insured or other party to the extent that such cover, payment, service, benefit and/or any business or activity of the insured would violate any applicable trade or economic sanctions law or regulation.

7. Communicable Disease Exclusion

- a. Notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of, attributable to, resulting from, originating from, occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.
- b. For the purposes of this exclusion, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:
- i. for a Communicable Disease, or
 - ii. any property insured hereunder that is affected by such Communicable Disease.

- c. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:
 - i. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and
 - ii. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and
 - iii. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.
- d. This exclusion applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).
- e. All other terms, conditions and exclusions of the policy remain the same. If the Insurer alleges that by reason of this exclusion, any loss, damage or liability is not covered by this Policy the burden of proving the contrary rests on the Insured.

8. **Property Cyber and Data Exclusion**

- a. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:
 - i. Cyber Loss;
 - ii. loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;

regardless of any other cause or event contributing concurrently or in any other sequence thereto.
- b. In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
- c. This exclusion supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

Definitions

- a. Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
- b. Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
- c. Cyber Incident means:
 - i. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or
 - ii. any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
- d. Computer System means:

any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.

- e. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.
- f. This exclusion does not apply to the Cyber Funds Protect section contained in this policy wording.

9. Pollution and contamination exclusion

- a. This Contract shall not cover any loss or damage due to contamination, pollution, soot, deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, or due to any limitation or prevention of the use of objects because of hazards to health.
- b. This exclusion does not apply if such loss or damage arises as a direct consequence of:
 - i. the perils
 - Fire, Lightning, Explosion, Impact of Aircraft
 - Vehicle Impact, Sonic Boom
 - Accidental escape of water from any tank apparatus or pipe Riot, Civil Commotion, Malicious Damage
 - Storm, Hail Flood, inundation Earthquake
 - Landslide, Subsidence Pressure of Snow, Avalanche Volcanic Eruption or
 - ii. a physical damage of the type insured by the original policy which occurred on the insured premises.
- c. If a peril not excluded from the original policy arises directly from pollution and/or contamination any loss or damage arising directly from that peril shall be covered.
- d. All other terms and conditions of the Contract shall be unaltered and especially the exclusions shall not be superseded by this clause.

10. Public Utilities

This policy does not cover loss of, or destruction of, or damage to, the Insured Property; loss due to interruption of or interference with the business; consequential loss; legal liability; costs; or expenses directly or indirectly caused by, arising from, or contributed to by or consisting of or arising from the total or partial failure of any national, provincial or local public utilities provider to supply gas, water, electricity, fuel, oil, communications and data processing facilities, steam, sewerage or any other similar circumstances, where that is caused by:

- a. the exercise of any authority empowered by law to supply water, gas, electricity, fuel, oil, communications and data processing facilities, steam, sewerage or any other similar circumstances of its power to deliberately withhold or restrict supply;
- b. the failure, for whatever reason, of the provider to maintain its property, plant, machinery and equipment;
- c. malicious damage, sabotage or vandalism to the provider's property, plant, machinery, equipment;
- d. the actions, advice, measures, restrictions, regulations or other response of any government authority or any other authority, whether national, provincial or local.

11. Failure of Electricity Grid

Notwithstanding any provision to the contrary contained in this Policy which would otherwise override this General Exclusion, this policy does not cover any claim, loss, damage, cost, liability, expense, consequential loss or damage of any nature whatsoever directly or indirectly caused by, resulting from, arising out of, in connection with a national (including regional, municipal, local and/or private) interruption, failure, interference, or suspension of the electricity supply to the electricity grid of South Africa for whatsoever reason, whether due to damage, an inability and/or failure (whether partial or total) of the utility supplier to generate, transmit or distribute electricity, or otherwise.

12. **Illegal Occupation of any building**

This policy does not cover any claim, losses of whatsoever nature including damage, theft, liability, cost or expenses, consequential loss or damage arising directly or indirectly from illegal occupation of any building or premises.

13. **Flood line**

This policy does not cover any claim, of whatsoever nature, consequential loss or damage arising directly or indirectly from any loss or damage caused by weather-related flood, storm surge or water damage to the property situated within the 50-year flood line.

14. **Power Surge**

This policy does not cover any claim, of whatsoever nature, consequential loss or damage arising directly or indirectly from any loss or damage caused by power surge unless specifically included under the relevant/insured section of the policy.

15. **False pretence**

This policy does not cover any claim, losses of whatsoever nature including damage, theft, liability cost or expenses consequential loss or damage caused by any fraudulent scheme, trick, device or false pretence practiced on the insured.

False pretence means the false representations concerning past or present facts that are made with the intent to defraud another or the crime of obtaining title or possession to another's property by false pretences.

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 or Section of the Policy, as the case may be, affected by such misrepresentation, misdescription or non-disclosure.

2. **Other insurance**

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

3. **a. Cancellation and variation to cover**

This policy or any section may be cancelled, varied or changed at any time by the company giving 31 days' notice in writing (or such other period as may be mutually agreed). The insured can cancel the policy with immediate effect.

On cancellation by the insured, the company shall be entitled to retain the customary short period or minimum premium for the period the policy or section has been in force, unless cooling-off rights apply.

On cancellation by the company, the insured shall be entitled to claim a pro-rata proportion of the premium for the remainder of the period of insurance from the date of cancellation, subject to General Condition 4.

b. Continuation of cover (where premium is payable by bank debit order or by transmission account)

The premium is due in advance and if it is not received by the Company by the 30th day following due date, then this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance unless the Insured can show that failure to make payment was an error on the part of his bank or other paying agent. Due date will be the first day of every calendar month where premium is payable monthly, the first day of (a) each third (b) each sixth or (c) each twelfth calendar month following inception where premium is payable quarterly, half-yearly or annually.

c. Cease of Operation

In the event that the insured ceases operating as an occupation as described on the schedule of this policy, this policy will be cancelled and of no further effect from the end of the month that such operation ceased unless agreed to the contrary by the company in writing. Any premium paid to the company after the date of cancellation will be refunded in full to the insured.

e. Change in circumstances

In the event that the insured has a change in circumstances, the company needs to be notified in writing before such change occurs to ensure continuation of cover. The company will confirm in writing whether the change in circumstances have been accepted. If the risk has materially changed, the company may increase or decrease the premium, add or remove special terms and conditions. If the company is not advised of any change we may decline to indemnify or compensate the insured for any loss, damage or liability.

4. **Adjustment of premium**

If the premium for any Section of this Policy has been calculated on any estimated figures, the Insured shall, after the expiry of each period of insurance, furnish the Company with such particulars and information as the Company may require for the purpose of recalculation of the premium for such period.

Any difference shall be paid by or to the Insured as the case may be.

5. **Prevention of loss**

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

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

6. **Claims**

- a. On the happening of any event which may result in a claim under this Policy the Insured shall, at their own expense:
 - i. give notice thereof to the Company as soon as reasonably possible, but no later than 30 days after the event, and provide particulars of any other insurance covering such events as are hereby insured
 - ii. as soon as practicable after the event inform the police of any claim involving theft or (if required by the Company) loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property
 - iii. as soon as practicable after the event submit to the Company full details in writing of any claim
 - iv. give the Company such proofs, information and sworn declarations as the Company may require and forward to the Company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.
- b. No claim (other than a claim under the business interruption, fidelity, the personal accident (assault) extension under the crime Section, if applicable) shall be payable after the expiry of 24 months or such further time as the Company may allow from the happening of any event unless the claim is the subject of pending legal action, arbitration proceedings in terms of General Condition 13 or is a claim in respect of the Insured's legal liability to a third party.
- c. No claim shall be payable unless the insured claims payment by serving legal process on initiating arbitration proceedings against the company, as envisaged in General Condition 13, within six months of the rejection of the claim in writing and pursues such proceedings to finality.
- d. If, after the payment of a claim in terms of this Policy in respect of lost or stolen property the property (the subject matter of the claim) or any part thereof is located, the Insured shall render all assistance in the identification and physical recovery of such property if called on to do so by the Company, provided that the Insured's reasonable expenses in rendering such assistance shall be reimbursed by the Company. Should the Insured fail to render assistance in terms of this condition when called upon to do so, the Insured shall immediately become liable to repay to the Company all amounts paid in respect of the claim.
- e. Wear and tear or any gradual deterioration, defective design, loss occurring over a period of time or consequential loss of any nature will not be covered in terms of the policy.
- f. Any claims arising out of the loss or damage caused by vermin, rodents, insects and termites or the like is excluded.

7. **Company's rights after an event**

- a. On the happening of any event in respect of which a claim is or may be made under this Policy, the Company and every person authorised by 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 titled 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 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.

8. **Fraud**

If any claim under this policy is:

- a. In any respect fraudulent (either wholly or in part); or
- b. If any fraudulent means or devices are used by the insured or any third party acting on the insured's behalf or with the knowledge or consent of the insured to obtain (or in an attempt to obtain) any benefit under this policy; or
- c. If any accident, loss destruction, damage or liability be occasioned by the wilful act (or omission) or with the knowledge, consent or connivance of the insured regardless of whether or not the claim in itself is fraudulent:
 - i. All benefits under this policy will be forfeited in their entirety, and insurers will be entitled to recover any amounts already paid to the insured pursuant to the claim; and
 - ii. Insurers will be entitled to cancel the policy with retrospective effect as at the date of the occurrence giving rise to the claim or the reported occurrence date, whichever occurred first ("termination date"); and
 - iii. In the event that insurers terminate the policy, insurers will be entitled to recover any amounts already paid to the insured from the termination date irrespective of whether such payments were made pursuant to valid claims; and
 - iv. The insured will not be entitled to any refund of premium in any circumstance.

9. **Reinstatement of cover after loss (not applicable to stocks on a declaration basis nor to any Section where it is stated to be not applicable)**

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

10. **Breach of conditions**

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

11. **No rights to other persons**

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

12. **Burglar alarm warranty (if stated in the schedule to be included)**

It is a condition precedent to the liability of the Company and warranted that:

- a. a radio siren alarm system covering the entire premises linked to an armed response facility has been installed in the insured premises by an approved installation company.
- b. such alarm shall be made fully operative whenever the premises are not open for business unless a principle partner, director or employee of the insured is on the premises.
- c. such alarm shall be maintained in proper working order and regularly tested with the armed response company to ensure that it is in proper working order. Proof of such is to be provided by the insured by way of activation reports in the event of a loss.
- d. this insurance shall not cover loss of damage to the property following the use of keys or card keys of the alarm or any duplicate thereof belonging to the insured unless such keys or card keys have been obtained by violence or threat of violence to any person.

13. **Arbitration**

- a. Any dispute which may arise between the company and the insured in relation to this Policy, or to its interpretation, or to its existence, validity, rectification or termination or to any claim under this Policy or to the Policy's response to any claim, or to the determination of the amount or any amounts payable under this Policy, shall be referred to arbitration in accordance with the statutory provisions and laws of the Republic of South Africa, and shall be determined in accordance with such statutory provisions and laws.
- b. Unless otherwise agreed between the parties, such arbitration shall be referred to the Arbitration Foundation of Southern Africa (AFSA) and concluded in conformity with the AFSA Commercial Rules, including the appeal procedure provided for in such Rules. Unless otherwise agreed, such arbitration will be in South Africa.

14. **Premium Amendment after claims event**

Following any claimed event, the Company at their discretion, will amend the premium immediately after settlement of the claim on a monthly policy and at the anniversary date of an annual policy.

15. **Extensions sums insured**

Should the extension limit appear higher in the policy schedule than it reflects in the policy wording, in the event of a claim, the limit reflecting in the policy schedule will be applied.

16. **Governing Law**

This policy shall at all times be governed by and construed in accordance with the statutory provisions and laws of the Republic of South Africa.

General provisions

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

1. **Claims preparation costs**

The insurance under each section of this policy is extended to include costs reasonably incurred by the insured in producing and certifying any particulars or details required by the company in terms of general condition 6 or to substantiate the amount of any claim, provided that the liability of the company for such costs in respect of any one claim shall not exceed in respect of a particular section, 15% of the sum insured or R1 million, whichever is the lesser amount.

2. **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.

3. **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 in the schedule for the applicable insured event.

4. **Members**

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

5. **Liability under more than one Section**

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.

6. **Meaning of words**

The schedule(s) and any endorsement(s) thereto and the Policy wording shall be read together and any word or expression to which a specific meaning has been given in any part thereof shall bear such meaning wherever it may appear.

- a. **Alternative power solutions** – any energy source alternative to public utility electricity supply
- b. **Solar power solutions** – electricity generating systems designed to supply usable solar electricity by means of photovoltaics. It consists of an arrangement of several components, including solar array and an inverter. These may be linked to one or more batteries..
- c. **12 month period** – This would mean a 12 month claim period.

7. **Automatic inflation margin**

The Sums Insured of each item insured under the Material Damage, Office Contents and Business Interruption sections will be increased automatically by the Company at renewal at a percentage commensurate with the trends in the consumer price indices. It is specifically noted that this extension does not relieve the Insured of their responsibility to ensure that the sum insured represents the replacement value of the property insured.

Furthermore, it is noted that this condition in no way affects the standard average clause contained in the Policy.

8. Premium payment

Premium is payable on or before the inception date or renewal date as the case may be.

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

9. 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.

10. Schedule sums insured blank

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

- a. left blank or has no monetary amount stipulated against it
- b. 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.

11. 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 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 by the Insured and any security provider relating to the protection of the insured property.

12. Post-trauma counselling

The company will pay the cost of trauma counselling as a result of any event following violence or the threat of violence or any event caused by external, sudden and/or visible means of a traumatic nature at the premises or as a result of the driving of any vehicle insured by this policy to the value of R3,000 for any one person and R15,000 for any one event.

13. Basis of indemnity

"Occurrence", whenever referred to in the Policy, its schedules or Sections, shall mean an occurrence or series of occurrences arising from one event or original cause.

14. Repairs and measures after loss

After loss or damage by any insured event:

- a. the insured may, to minimise further loss, undertake temporary repairs and any measures necessary excluding the cost of a security guard covered by (b) (iii) of this extension up to an amount not exceeding R20,000 for the safety of the property insured.
- b. the company will pay the reasonable costs of:
 - i. extinguishing a fire.
 - ii. emergency accommodation up to an amount not exceeding R10,000 whilst the property insured is uninhabitable and until alternative accommodation can be arranged.
 - iii. a security guard for the protection of guests and the premises for a period of up to 7 days or as agreed in writing by the company.

15. **Value Added Tax is Included**

All amounts referred to in this policy include VAT. The amounts include:

- a. Premiums;
- b. Maximum amounts to cover;
- c. Amounts we pay out;
- d. Excesses.

Material damage section

Defined events

1. Damage by the perils described
 - a. in Sub-Section A to the whole or part of the property described in the schedule, owned by the Insured or for which they are responsible;
 - b. in Sub-Section B to public supply connections situated as stated in the Excess and Limits Schedule.
2. Loss of rent as provided in Sub-Section C.

Sub-Section A (Property) perils applicable

1. Fire, lighting, thunderbolt, subterranean fire, explosion (but specifically excluding power surge unless as a direct result of lightning).
2. 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;
 - g. by wear and tear or gradual deterioration;
 - h. any tented, shade cloth and canvas structures, unless otherwise stated in the schedule.
3. Earthquake.
4. Aircraft and other aerial devices or articles dropped therefrom.

Unless so described and specifically insured as separate item.

5. Impact by animals, trees, rocks, boulders, aerials, satellite dishes or vehicles excluding damage to such animals, trees, rocks, boulders, aerials, satellite dishes, vehicles or property in or on such vehicles.
6. Accidental damage to bathroom fixtures and fittings but provided the Insured shall be responsible for the first R500 of each and every claim.
7. Deliberate or wilful or wanton act of any person committed with the intention of causing such loss or damage but excluding loss or damage caused by or arising from theft or any attempt thereat.

provided that this does not cover:

- a. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent 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) 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) or (d) loss damage is not recovered by this Section, the burden of proving the contrary shall rest on the Insured.
8. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building but limited to a maximum of R20,000 of the contents and/or buildings. If any building insured or containing the insured property becomes unoccupied for 30 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 cover. During the period of the initial unoccupancy of 30 consecutive days the Insured shall **become**

a co-insurer with the Company and shall bear a rateable proportion of any damage equal to 20% of the claim before deduction of any first amount payable.

9. Costs and expenses necessarily incurred by the insured in complying with any legal requirements to upgrade or replace undamaged portions of any automatic sprinkler system, automatic drencher, gas or foam from installations following damage by an insured peril provided that the total amount recoverable shall not exceed the sum insured. This peril will only be operative if the insured can produce evidence of third party certification e.g. ASIB, not older than 1 year, at the time of loss.

Sub-Section A (Property) perils applicable 2, 4 and 5 do not cover

1. damage caused or aggravated by:
 - a. leakage or discharge from any sprinkler or drencher system or other fire extinguishing installations or appliances in the buildings insured hereby or in buildings containing property insured hereby;
 - b. subsidence or landslip;
 - c. the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.

Specific exceptions

1. Wear and tear or gradual deterioration.
2. Volcanic eruption or other convulsion of nature (other than subterranean fire).
3. Any damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be damage which is not covered by this insurance, except to the extent that the Insured shall prove that such damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where the Company alleges that by reason of this exception any damage is not covered by this insurance, the burden of proving the contrary shall be on the Insured.
4. Unless specifically included, this insurance does not cover
 - a. damage to property occasioned by its undergoing any heating or drying process;
 - b. damage to property which at the time thereof is insured by or would but for the existence of this insurance be insured by any marine Policy(ies), except in respect of any excess beyond the amount which would have been payable under the marine Policy(ies) had this insurance not been effected.

Specific condition

1. **Condition of Average (not applicable to no 7 accidental damage to bathrooms fixtures and fittings)**

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.

2. **Generators**

It is a requirement that any generator be kept in a locked structure or should be secured to a concrete floor in such a way that the generator cannot be removed for the cover to be in force.

Generators need to be connected to the electrical articular structures via a change over switch which is professionally installed by a registered electrician and a COC issued for installation. Generators need to be serviced annually or as per the manufacturers requirements and proof submitted to the company.

3. **Solar Panels and Inverters**

- a. It is warranted that the solar plant or inverter must be installed by a qualified electrician and in accordance with the relevant South African National Standards (SANS) regulations and that such electrician issues the applicable electrical Certificate of Compliance.
- b. It is further warranted that the Certificate of Compliance must be re-issued by the relevant qualified electrician at every subsequent addition to or upgrade of the insured solar plant or inverter.

- c. The system needs to be maintained as per the manufacturer's guidelines.
- d. The company does not accept any liability of loss or damage or any form of liability arising out of the solar plant or inverter being installed by the insured.
- e. The company does not cover loss or damage to photovoltaic solar panels that are fitted onto a thatch roof.
- f. Cover is limited to the amount stated in the Excess and Limits Schedule in any one 12 month period subject to the building sum insured being adequate.
- g. Theft is subject to forcible/violent removal from the premises noted in the schedule to the maximum indemnity noted under Sub-Section A (Property) perils applicable number 8.
- h. In terms of an inverter, a portable power station is not included.

The Company does not accept any liability of loss or damage or any form of liability arising out of the solar panels or inverter being installed by the insured.

Theft is subject to forcible/violent removal from the premises noted in the schedule to the maximum indemnity noted under Sub-section A (property) perils applicable number 8.

In terms of an inverter, a Portable Power Station is not included.

4. **Gas Storage and Installation**

- a. Gas stored inside the buildings may not exceed 38 kilogrammes.
- b. It is a requirement that gas must be installed and serviced by an approved service provider.
- c. Certificate of compliance from the installer at installation stage and will need to be submitted to the company in the event of a claim should it be requested or required.
- d. The Company does not accept any liability of loss or damage or any form of liability arising out of the gas being installed by the insured.
- e. Cover provided by this section is strictly subject to any bulk LP gas installation being installed and maintained in accordance with SANS 10087-1 Code of Practice.

5. **Certificate of electrical compliance**

Cover provided by the section is strictly subject to the entire electrical installation at the premises complying fully with the appropriate SANS 0142 Code of Practice regulations. Furthermore, it is a condition precedent to liability that the electrical installation be certified as required in terms of The Occupational Health and Safety Act and that the latest Certificate of Compliance be lodged with the company.

6. **Kitchen and cooking closing down procedures**

Cover provided by this section is strictly subject to all kitchens and cooking areas being subject to a documented closing down procedure to ensure all appliances are switched off and cooker units isolated including the isolation of any LP Gas at the main isolation valve at the close of each day.

Sub-Section B (Public supply connections)

This section is extended to cover accidental damage or theft to water, sewerage, gas, electricity and telecommunication connections on the property of the insured or for which they are legally responsible between the property insured and the public supply or mains. Provided that:

1. The maximum amount payable by the company will not exceed the amount stated in the Excess and Limit Schedule any one event or any 12 month period.
2. The insured shall be responsible for the first amount payment as stated in the Excess and Limits Schedule.

Sub-Section C (Rent)

Loss of incoming rent as a result of the property insured being 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% of the sum insured on the affected property. The basis of calculation shall be the rent payable immediately preceding the damage.

This cover is subject to the following:

1. Incoming Rent, defined as an income received from a tenanted premises which has a signed lease agreement in place and not associated with the loss of incoming rent from the cancellation of bookings.
2. The loss of rental income is secondary to the insured's Hospitality related establishment.

Extensions and Clauses

(applicable to each and every risk address stated in the policy schedule and not the individual risk)

1. Leakage extension to Sub-Sections A and C

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

If a first loss limit is shown against this additional peril in the schedule, the amount of such limit shall be the maximum liability of the Company in respect of any one event and, for the purposes of this extension only, the following shall be substituted for the average condition hereinbefore expressed:

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

The limit of indemnity in respect of each and every claim is stated in the Excess and Limits Schedule per event.

2. Limited Subsidence and landslip

The company shall indemnify the insured for damage to the insured property caused by subsidence and landslip. The insured shall bear the first portion of each and every claim up to an amount calculated at one percent of the sum insured of the property insured or R500 whichever is the greater.

This extension does not cover:

- a. loss or damage to drains, water courses, boundary walls, screen and retaining walls, garden walls, gate posts, gates and fences, driveways, paving, swimming pools, tennis courts.
- b. damage caused by or attributable to:
 - i. The contraction and/or expansion of soil due to the moisture content of such soil as experienced in clay and or similar soil types.
 - ii. Faulty design or construction of or removal or weakening of support to any insured building situated at the premises.
 - iii. Workmen engaged in making any structural alterations, additions or repairs to any insured building situation at the premises.
 - iv. Excavation on or under land other than excavation in the course of mining operations.
- c. Consequential loss of any kind whatsoever except loss of rent when/if specifically insured.

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

3. Subsidence and landslip extension to Sub-Section A (Property) (if stated in the schedule to be included)

Damage caused by subsidence or landslip provided that the Insured shall bear the first portion of each and every claim up to an amount calculated at 1 % of the sum insured on the property or R500 whichever is the greater.

This extension does not cover:

- a. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured;
- b. damage caused by or 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 extension, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

4. **Architects' and other professional fees clause**

The insurance under Sub-Section A includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 20% of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the Insured's claim.

5. **Capital additions clause**

The insurance under this Section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property for an amount not exceeding 15% of the sum insured hereon 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.

6. **Cost of demolition and clearing and erection of hoardings clause**

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

The Company will not pay for any costs or expenses:

- a. incurred in removing debris or silt except from the site of such property destroyed or damaged and in the area not exceeding 10 meters from such property;
- b. arising from pollution or contamination of property not insured by this Policy/Section.

7. **Railway and other subrogation clause**

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

8. **Reinstatement value conditions**

In the event of the property 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 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 insured 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 proportion of the loss accordingly. Each item of this Section (if more than one) to which these conditions apply shall be separately subject to this provision;
- d. these conditions shall be without force or affect if:
 - i. the Insured fails to intimate to the Company within 6 months of the date of damage or such further time as the Company may in writing allow their intention to replace or reinstate the property;
 - ii. the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

9. Alternative replacement conditions (design capacity) clause

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:

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

10. Builders risk clause

Where the premises are subjected to alteration, extension, modification, redecoration, refurbishment, or renovation, whether by independent contractors or by the insured's own employees, the insurance cover shall be amended as follows:

- a. Loss or damage by theft shall be suspended;
- b. Loss of or damage to glass shall be excluded;
- c. An additional cumulative first amount payable of 5% of the claim, subject to a minimum of R2,500

shall be payable in respect of every occurrence giving rise to a claim.

11. Silent risk clause

Where any part or the whole of the insured premises shall cease to be occupied by the Insured for the purpose of the business as a going concern, the insurance cover shall be amended as follows:

- a. Loss or damage by theft shall be suspended;
- b. Loss or damage to glass shall be excluded;
- c. An additional cumulative first amount payable of 5% of the claim, subject to a minimum of R2,500 shall be payable in respect of every occurrence giving rise to a claim.

12. **Escalator clause extension (if stated in the schedule to be included)**

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 clause shall cease to apply.

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

13. **Riot and strike extension (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 loss or damage directly occasioned by or through or in consequence of:

- a. civil commotion, labour disturbances, riot strike or lockout;
- b. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (1) above;

provided that this extension does not cover:

- i. loss or damage occurring in the Republic of South Africa and Namibia;
- ii. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- iii. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- iv. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- v. loss or damage relate 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.

14. **Removal of silt, debris and fallen trees extension**

The insurance under this Section includes the cost necessarily incurred by the Insured in respect of the removal of silt, debris and fallen trees from the premises following damage caused by a peril insured under Sub-Section A (Property) and provided that:

- a. the sum insured of this clause shall not exceed the amount stated in the Excess and Limits Schedule;
- b. the insured shall be responsible for the first amount payable stated in the Excess and Limits Schedule.

15. **Cost of reinstating landscaping and aesthetic features**

The insurance granted by this Section will indemnify the Insured for the cost of restoring landscaped gardens, water features and statues damaged as a result of perils 1 to 6 and 8 of Sub-Section A (property) Perils applicable and geyser and water pipes extension provided that:

- a. the limit of indemnity shall not exceed the sum insured stated in the Excess and Limits Schedule;
- b. the Insured shall be responsible for the first amount payable stated in the Excess and Limits Schedule.

The limit of indemnity in respect of each and every claim is stated in the Excess and Limits Schedule per event unless other was insured.

16. External signs, blinds, canopies and outdoor furnishings extension

The insurance granted by this Section includes loss of or damage to fixed external signs, blinds, canopies and outdoor furnishings designed to be used in the open belonging to the Insured or for which the Insured is responsible up to an amount not exceeding what is stated in the Excess and Limits Schedule any one occurrence and in the annual aggregate unless more specifically insured in the schedule.

17. Damage caused by animals, baboons and monkeys extension

This Section extends to include loss of or damage to buildings as a result of the acts of animals other than domestic pets provided that:

- a. the maximum amount payable by us will not be more than the amount stated in the Excess and Limits Schedule any one event.
- b. you will be responsible for the first amount payable stated in the Excess and Limits Schedule of each and every claim.

18. Accidental loss of refrigerated stocks extension

The insurance granted by this Section extends to cover loss or damage to stock (whether specifically insured under column 4 or not) in refrigeration and cooling units at the premises by deterioration or putrefaction caused by:

- a. A change in temperature resulting from:
 - i. failure of the unit or non-operation (from any inherent cause) of any thermostatic device controlling the plant or failure of the wiring between the starting switch or plug and the driving motor;
 - ii. failure of the public supply of electricity and/or gas at the terminal ends of the supply authority's device feeders to the premises;
 - iii. the wrongful setting of any thermostatic device, including the accidental switching off of the supply controlling the plant.
- b. The action of refrigerant fumes which have escaped from the unit.
- c. Defined events 1 to 8.
- d. Provided that this extension does not cover:
 - i. loss or damage caused by a deliberate act by the supply authority or the exercise by any supply authority of its own power to withhold or restrict the supply of electricity and/or gas, including if such deliberate act or exercise by any supply authority is as a direct result of there being a shortage of supply of electricity and/or gas or as a result of the Insured having not paid the said authority;
 - ii. consequential loss;
 - iii. the first amount payable stated in the Excess and Limits Schedule of each and every loss;
 - iv. more than the amount stated in the Excess and Limits Schedule any one event or occurrence.

19. Accidental death of fish stocks extension

This Section is extended to include the accidental death of trout stock in the Insured's dams and/or fish in the Insured's water features and ponds as a result of pollution or contamination of the water by chemicals or wastes provided that

- a. the maximum amount payable by the Company shall not exceed the amount stated in the Excess and Limits Schedule;
- b. the Insured shall be responsible for the first amount payable stated in the Excess and Limits Schedule of each event giving rise to a claim;
- c. the Company will not be responsible for any claim where the death of the fish arises as a result of disease, sickness or fluctuations in temperature.
- d. the Insured will be responsible for obtaining an independent expert report on the cause of death and submitting same to the Company for consideration.

20. **Fatal injury**

The company will pay the amount stated below in the event of fatal injury to the insured, any manager or employee employed by the insured or any paying guest occurring in or about the building(s) caused by accidental violent external visible means which injury shall solely and independently of any other cause result in death within twelve months of such injury by:

- a. fatal injury – death by accident
- b. death by thieves or fire

for the amount stated in the Excess and Limits Schedule.

21. **Damage to landscaping and aesthetic features extension (Emergency services)**

The cover granted by this Section will indemnify the Insured in respect of the cost of restoring any damage caused to landscaped gardens, water features and statues for which the Insured are responsible by the Emergency Services in attending to an emergency following an event caused by an insured peril at the address shown in the schedule up to an amount not exceeding the amount stated in the Excess and Limits Schedule in any one (annual) period of Insurance.

22. **Theft of external fixtures and fittings**

The cover granted by this Section includes theft (or any attempt thereat) of Landlord's fixtures and fittings. For the purposes of this extension only Landlord's fixtures and fittings are deemed to include external and/or remote fixtures and fittings including auxiliary power supply units and their fuel supply on or about the premises of the Insured provided that:

- a. the maximum amount payable by the Company shall not exceed the amount stated in the Excess and Limits Schedule;
- b. the Insured shall be responsible for the first amount stated in the Excess and Limits Schedule of each event giving rise to a claim;
- c. if any premises insured, or containing the insured property, becomes unoccupied for 30 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 consecutive days the Insured shall become a co-insurer with the Company and shall bear a rateable proportion of any damage equal to 20% of the claim before deduction of any first amount payable.

23. **Power surge extension**

The insurance granted by this Section will indemnify the Insured in respect of damage to items insured as a result of fluctuations in the power supply resulting in surges provided that:

- a. The maximum amount payable by the Company will not exceed the amount stated in the Excess and Limits Schedule if there is no power surge protection on the Distribution Board and limited to one claim in a 12 month period.
- b.
 - i. If there is power surge protection on the Distribution Board and a Statutory valid certificate of compliance regarding the suitable safeguards installed and submitted to the company prior to a loss, the maximum amount payable by the Company will not exceed the amount stated in the Excess and Limits Schedule, or the amount stated in the schedule for any one event and R100 000 any 12 month period.
 - ii. In the event of a surge occurring at the premises, replacement of the surge protection safeguard is required for cover to be reinstated and proof needs to be submitted as per b.i (above).
- c. The Insured shall be responsible for the first amount stated in the Excess and Limits Schedule.

24. **Damage caused by guests extension**

This Section extends to include loss of or damage to buildings and contents as a result of the acts of guests or visitors other than cover provided under item 7 of Sub Section A: Property (Perils applicable) provided that the limit of indemnity in respect of each and every claim is stated in the Excess and Limits Schedule per event and the insured shall be responsible for the first amount stated in the Excess and Limits Schedule.

25. **Removal of vermin and pests extension**

This Section extends to include costs incurred with the Company's consent for the removal of vermin and or pests, an infestation of which can be proven to be hampering the Insured from conducting their usual business activities, from the insured's fixed structures provided that:

- a. vermin and pests does not include any animals or mammals;
- b. the sum insured shall not exceed the amount stated in the Excess and Limits Schedule for any one event or series of events in any one (annual) period of insurance;
- c. the Insured shall be responsible for the first amount payable stated in the Excess and Limits Schedule.

26. **Removal of bees, wasps and hornets**

The company will indemnify the insured up to a maximum amount stated in the Excess and Limits Schedule for costs incurred in the removal of hives of bees or nests of wasps or hornets at the premises stated in the schedule of the policy if those bees, wasps or hornets are a threat to any guest, the insured or staff employed by the insured.

27. **Alcohol and beverage extension**

Damage caused by escape of beer or other beverages from fixed installations including resultant loss of beer or beverages excluding the first amount stated in the Excess and Limits Schedule of each and every loss.

Provided that the limit of the Company's liability in respect of loss or damage shall not exceed the amount stated in the Excess and Limits Schedule for any one event or series of events in any one (annual) period of insurance.

28. **Fire extinguishing charges clause**

- a. Any costs relating to the extinguishing or fighting of fire, including costs directly related to recharging and/or replacing fire extinguishing appliances and devices 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 fire.
- b. Cover in respect of water bombing activities or any other fire extinguishing methods to prevent spreading of fire.
- c. Cover is limited to the amount stated in the Excess and Limits Schedule in a 12 month period.
- d. The insured will be responsible for the first amount stated in the Excess and Limits Schedule for each and every loss.

29. **Mortgagee clause**

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.

30. **Municipal plans scrutiny fee clause**

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

31. **Public authorities' requirements clause**

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, divisional, municipal or other local authority provided that:

- a. the amount recoverable under this clause shall not include:
 - i. the cost incurred in complying with any of the aforesaid regulations:
 - in respect of damage occurring prior to granting of this clause
 - in respect of damage not insured by this Section
 - under which notice has been served upon the Insured prior to the happening of the damage
 - 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.
 - ii. 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;
 - iii. 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.
- b. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this clause not being thereby increased.
- c. 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.
- d. the total amount recoverable under any item of this Section shall not exceed the sum insured thereby.

32. **Stock in transit**

The company will indemnify the insured up to a maximum amount stated in the Excess and Limits Schedule for damage to stock or delivery in transit caused by:

- a. fire, lightning, explosion, collision or overturning of the vehicle;
- b. theft or attempted theft provided that goods in an unattended vehicle were concealed and entry

was visible, forcible and violent whilst in transit between the place of delivery, purchase, repair or renovation and the insured's residence.

33. **Designation of property clause**

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.

34. **All other contents clause**

The term all other contents referred to in the definition of property under column 4 of the schedule includes, but is not restricted to personal effects, tools and pedal cycles, the property of the Insured or directors or employees of the Insured in so far as such property is not otherwise insured.

The benefit under this extension is limited to the amount stated in the Excess and Limits Schedule for any one individual in respect of property lost or damaged whilst on the Insured's premises.

35. **Limitations clause**

The Company's liability is restricted in respect of:

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

36. **Alterations and misdescription clause**

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

37. **Tenants clause**

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.

38. **Temporary removal clause**

Except so far as is otherwise insured the property insured is covered for the insurance granted by this section whilst temporarily removed elsewhere on the premises stated in the schedule or to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa provided that:

- a. unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the Company shall not exceed 20% of the sum insured applicable to any item;
- b. the amount payable under this clause shall not exceed the amount that would have been payable had the loss occurred on the part of the premises from which the property is temporarily removed.

39. **Stock declaration conditions (if stated in the schedule to be included)**

In respect of stock and materials in trade insured under this Section being subject to the stock declaration conditions; the premium is calculated on 75% of the sum or sums insured thereon; subject to the following specific conditions.

Specific conditions

- a.
 - i. The Insured shall declare to the Company in writing the market value of their stock and materials in trade on the last day of each month/quarter (as stated in the schedule) and shall make such declaration within 30 days thereof, otherwise they shall be deemed to have declared the sum insured on such property as the market value thereof.
 - ii. 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 % of the provisional premium.
- b. Any claim hereunder shall be settled on the basis of the market value immediately anterior to the damage.
- c. If, after the occurrence of damage, 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.

- d. 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.
- e. The liability of the Company shall not exceed the sum insured and premium shall not be receivable on values in excess thereof.
- f. The above specific conditions shall apply separately to each item of the specification to which these stock declaration conditions apply.

40. Disposal of salvage clause

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

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

41. Seasonal increase of stock

The sum(s) insured for Stock in trade will automatically be increased by 10% over long weekends and during school holidays (based on official school calendar).

42. Geysers and water pipes

The company will indemnify the insured for bursting, leaking or overflowing of domestic heating installations or pipes including damage to such installations or pipes, installed in and forming part of the buildings.

Provided that the company shall not be liable for the first amount payable as stated in the Excess and Limits Schedule.

This extension is extended to Column 3 being insured should the insured not own the building however this is subject to the insured being responsible for such heating installations or pipes being fitted by the insured at time of occupation of premises stated in the schedule but limited to a maximum amount stated in the Excess and Limits Schedule in a 12 month period.

43. Glass

The company will pay for accidental breakage of:

- a. fixed glass including mirrors.
- b. Cover is limited to the amount stated in the Excess and Limits Schedule for any one loss and the insured is responsible for the first amount stated in the Excess and Limits Schedule of any loss.

44. Removal of trees

The company will indemnify the insured for the cost of removing trees when they have fallen upon and caused damage to the insured property. Cover is limited to the amount stated in the Excess and Limits Schedule per event.

45. Locks and Keys

The company will indemnify the insured for the cost of replacing locks, keys and access devices of the insured premises following loss for which liability has been admitted under item 8 of sub-section A limited to the amount stated in the Excess and Limits Schedule per event.

46. **Accidental Damage**

The company will indemnify the insured for accidental damage to property insured.

This extension does not cover:

- a. consequential loss of any nature.
- b. loss, destruction or damage caused by or resulting from:
 - i. wear and tear.
 - ii. depreciation.
 - iii. electrical or mechanical breakdown.
 - iv. rust, mildew, moth, vermin, insects, rodents.
 - v. scratching, denting or chipping.
 - vi. any gradually operating cause.
 - vii. any process of dyeing, cleaning or renovating.
 - viii. the action of light or atmospheric conditions.
 - ix. confiscation or detention by any process of law.
 - x. to articles of a fragile nature.
 - xi. to garden furniture and equipment.
- c. Items more specifically specified.

The limit of indemnity in respect of each and every claim in terms of this extension is stated in the Excess and Limits Schedule.

47. **Property at exhibitions and/or trade shows**

We will cover property, for which you are legally responsible, against damage whilst situate at exhibitions or trade shows up to the amount stated in the Excess and Limits Schedule.

This extension of cover excludes laptops, cellular phones and all similar electronic portable items.

48. **Smoke damage to stock**

Loss or damage to food stock belonging to the Insured destroyed on the order of the competent authority as a result from the ingress of smoke originating from any cause other than by fire at or on the Insured's premises.

The amount payable under this item is limited to 25% of the stock sum insured or R10,000 whichever is the lesser per event and in the annual aggregate.

49. **Medical Emergency Treatment costs**

The company will pay the costs of the immediate medical treatment costs incurred by the insured, for accidental bodily injury sustained by a permanent employee in the course of their employment.

This extension is subject to a maximum amount stated in the Excess and Limits Schedule.

Greens and irrigation systems extension (if stated in the schedule to be included and subject to the employment of a qualified Greens Keeper)

Damage to the whole or part of the property (Greens and or irrigation systems on the course and/or at the premises) situated as stated.

Greens definition

Any area on a golf course or at a bowling club described in the schedule and designated as a green, T-box and fairway for the game of golf and/or bowls owned by and under the control of the insured.

The following amendments apply to Material Damage section should the client select this extension.

Sub-Section A (Property) perils applicable and amended to read

1. Subterranean fire is deleted.
2. Storm, wind, water, hail or snow excluding damage to property is defined as follows
 - 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.

This extension does not cover:

- a. wear and tear or gradual deterioration
 - b. damage caused or aggravated by
 - i. subsidence or landslip
 - ii. the insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.
3. Earthquake is defined as follows:

Damage caused by earthquake but excluding damage to property in the underground workings of any mine.
 4. Peril is deleted for this extension.
 5. Peril is deleted for this extension.
 6. Accidental damage is defined as follows:

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

Specific exceptions

The insurer shall not be liable for

- a. the first amount payable
- b. detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process
- c. loss or damage for which a supplier, contractor or repairer is responsible either bylaw or under contract
- d. loss of or damage to insured property caused by:
 - i. any fraudulent scheme, trick, device or false pretence practised on the insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the insured;
 - ii. overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;
 - iii. altering, bleaching, cleaning, dyeing manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
 - iv. fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear;
 - v. termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light;
- e.
 - i. loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from their container
 - ii. loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes;
- f. failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant.

7. Malicious damage

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

- a. property which is:
 - i. stolen
 - ii. damaged in an attempt to remove it or part of it from the premises

Provided that this extension does not cover:

- i. damage related to or caused by fire or explosion
- ii. consequential or indirect damage of any kind or description whatsoever, other than loss of revenue on Green fees if specifically insured
- iii. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation
- iv. damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
- v. damage related to or caused by any occurrence referred to in General exception 1 IAI [ii, (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 insurer 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. Peril is deleted for this extension
- 9. Fertilizers, chemicals and/or contaminated water

The insurance under Sub-section I includes damage to the whole or part of the property insured [Greens on the course and/or at the premises situated as stated and described in the schedule] by fertilizers, chemicals and/or contaminated water provided that the total amount recoverable under any item for such damage shall not exceed 25% of the sum insured on the property affected.

10. Failure of water supply extension

The insurance under Sub-section A includes damage caused by total or partial failure of the supply of water to the premises of the insured provided that this peril does not cover loss resulting from damage directly or indirectly caused by:

- a. drought
- b. shortage of fuel or water
- c. the exercise of an authority empowered bylaw to supply water of its power to withhold or restrict supply
- d. mechanical or electrical or electronic breakdown unless such total or partial failure extends beyond 7 days from commencement thereof.

Specific exceptions

- 1. This extension does not cover volcanic eruption or other convulsion of nature [other than subterranean fire]. Any damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be damage which is not covered by this insurance, except to the extent that the insured shall prove that such damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where the insurer alleges that, by reason of this exception, any damage is not covered by this insurance, the burden of proving the contrary shall rest on the insured.

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

Property Owners Liability – (if stated in the schedule to apply)

Damages for 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) occurring during the period of insurance in, on or about the property insured and arising from the Insured's ownership thereof.

The limit of indemnity

The amount payable inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source shall not exceed the amount of R2 000 000.

Specific exceptions (applicable to Property Owners 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 with or apprenticeship to 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 lawn mowers).
2. damage to property:
 - a.
 - i. belonging to the Insured;
 - ii. in the custody or control of the Insured or any employee of the Insured.
 - b. caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure.
3. liability assumed by agreement unless liability would have attached to the Insured notwithstanding such agreement.
4.
 - a. liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination provided always that this exception shall not apply where such seepage, pollution or contamination is caused by a sudden unintended and unforeseen occurrence;
 - b. the cost of removing nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden unintended and unforeseen occurrence.

This exception shall not extend the Policy to cover any liability, which would not have been insured under this Policy in the absence of this exception.
5. fines penalties punitive exemplary or vindictive damages.
6.
 - a. damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the area which on January 1, 1976 constituted the Republic of South Africa;
 - b. costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in 6(a) above.

Memoranda to Property Owners Liability

1. Where more than one Insured is named in the schedule the Company will indemnify each Insured separately and not jointly and any liability arising between such Insureds 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 in the schedule, 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 in or of 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, 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.

Special conditions, clauses and warranties applicable (only applied if stated in the schedule)

Kitchen extraction maintenance

Cover provided by this section is strictly subject to any kitchen having an extraction system, that said system has been installed in accordance with SANS 1850: 2003 Code of Practice. It is a further condition that the extraction ducting be professionally cleaned half yearly and the necessary certification of such be retained for record purposes.

Lightning and surge protection

Cover provided by this section is strictly subject to the installation of power surge protection equipment in accordance with SANS 0142 Code of Practice.

SABS lightning conductors

Cover provided by this section is strictly subject to there being Lightning Conductors installed in accordance with SANS 10313 standards at the premises and that the installations are tested and certified annually.

Thatch roof penetration

Cover provided by this section is strictly subject to any structure, roofed with thatch and having one or more chimneys installed, that these are protected by the installation of spark arrestors (mesh sheet) not less than 700mm from the top of the chimney stack. Furthermore, that there are flues installed in or on the stack and that the flue/s are insulated to prevent the conduction of heat onto the thatch by way of appropriate flashing/membranes.

Thatch Fire Retardant

Cover provided by this section is strictly subject to the roof timber and thatch being treated with Fire Retardant coating in accordance with SANS 10400-T standards by a professional thatcher.

The Fire Retardant coating re-application is subject to compliance with manufacturers requirements.

Thatch Building Compliance

The cover provided by this section is strictly subject to the Thatch Structures being designed, built and serviced in accordance with SANS 10400-L and SANS 10407 (Thatch Roof Construction)

Bush clearance

Cover provided by this section is strictly subject to the clearance and maintenance of all bush, jungle, grass and weeds up to no less than 10 meters (or the nearest boundary) from the buildings or structures insured under the sections detailed. It is required that the overhanging trees and/or the branches and/or foliage of any trees/bush/creepers encroaching on the building/roofing be cut back from the roofing and regularly maintained thereafter. It is noted that this requirement does not apply to cultivated, manicured gardens including trees forming part thereof.

Open fires

Cover provided by this section is strictly subject to the lighting or use of open fires under or within any enclosed and/or roofed structure being done so with the use and/or installation of a properly constructed and professionally installed and functioning chimney or flue. It is a condition that all fires need to be thoroughly doused and extinguished properly after use.

Open pit/braai fires

Cover provided by this section is strictly subject to the open pit or braai being at least 3 metres away from any buildings, plants or trees. The open pit or braai surrounding area must be of non-combustible materials, i.e. sand, brick or concrete. Furthermore, it is a condition precedent to liability that the Fire Danger Index and weather conditions be observed and monitored before any fire is lit and for the duration of the fire. Fire starter liquid cannot be used for ignition and/or duration of fire. The fire needs to be constantly manned and not left unattended and should be doused and extinguished properly after use or if the weather conditions become windy.

Emergency fire response and evacuation plan

Cover provided by this section is strictly subject to there being a dedicated and documented Fire, Emergency and Evacuation management plan being in place at the premises. Furthermore, it is a condition precedent to liability that the Fire management plan incorporates the formulation or promulgation of a dedicated fire response team. The team members are to have received formal and certified training on fire fighting procedures and the use of the fire fighting resources with refresher training at least once per annum. Training drills are to be held at a rate of a minimum of once per quarter and all such training and drills are to be recorded in an appropriate register.

Fire detection alarm

Cover provided by this section is strictly subject to there being a fire detection system, linked to an alarm, installed in the buildings situate at the premises insured under these sections.

Sprinkler/drencher installation

Cover provided by this section is strictly subject to there being a sprinkler and/or roof drencher system installed in accordance with SABS standards, at the premises insured under these sections.

Fire suppression/gas extinguishing systems

Cover provided by this section is strictly subject to the installation of an automatic form, dry power or gaseous extinguishing system being installed in the kitchen extraction system, in accordance with SANS 10287 Code of Practice.

Removal of average condition

Subject to the Sum Insured having been increased to the estimated replacement cost as provided for by a qualified and professional valuator and submitted and approved by the company. Thereafter the policy being subject to an annual escalation equal to the Building Cost Indices the Average Condition and Automatic Inflation Margin clause are hereby deleted.

It is furthermore noted that this condition applies respectively to each individual building or structure insured on the policy and does not include any alterations and or extensions unless specifically agreed to in writing.

Stock

Cover provided by this section in respect of storm, flood or water damage, is strictly subject to stock and materials in trade being placed on pallets, shelving or other structures a minimum of 100mm off the ground.

Laundry requirements and closing down procedures

1. Cover provided under this section is strictly subject to the following:

Laundry has a documented closing-down procedure to ensure all washers, dryers, irons, and any other heat-generating equipment must be switched off at the end of each operational period.

2. All items must be removed from dryers, straightened, and folded to prevent the risk of self-combustion due to chemical residue.
3. No use of white spirits, or any other flammable cleaning agent or solvent. Only water-based soaps or perchloroethylene to be used in the laundry.
4. Used spa towels containing oil residues and unwashed cleaning cloths must be stored in a metal container and this container to be closed with a metal lid and stored at least 1 meter away from any other combustible material or source of ignition. This is to be part of closing-down procedure.
5. The fly from the dryers to be vented to outside of the structure and the flue and filter need to be cleaned weekly.

Defined events

Loss of or damage (damage) to the property insured, being household goods, personal effects, fixtures and fittings and fittings that would not normally be sold with the residence.

This section covers property belonging to the insured, which shall include members of the insured's family normally resident with the insured or family members for which the insured is legally responsible, unless otherwise stated in the schedule.

The property insured is used in the course of insured's private capacity, inside the building at:

1. the address stated in the schedule.
2. any other occupied private residence or building in which the insured in his personal capacity, is:
 - a. temporarily residing (defined as)

We pay for household contents temporarily away from the home, if they are stolen, lost or damaged by a covered event. We pay for theft or attempted theft only if there was forcible, visible and violent entry into or exit from the temporary home.

The only places we cover are:

An occupied private residence or medical facility

A lodging house, hotel, club, holiday facility, school, place of study or nursing home where you are temporarily residing

Business premises where you are working

Any of the above only within the borders of South Africa

3. any furniture storage depot or bank safe deposit.
4. any other premises for repair, renovation, restoration, cleaning or dyeing within the territorial limits, being the Republic of South Africa, Namibia, Botswana, Lesotho, Eswatini, Mozambique Zimbabwe, Zambia and Malawi.

Perils covered

1. Fire.
2. Lightning.
3. Explosion.
4. Storm, wind, water, hail or snow but excluding:
 - a. property in the open.
 - b. loss or damage arising out of any process necessarily involving the use or application of water.
5. Earthquake.
6. Bursting, leaking or overflowing of water or heating installations or pipes excluding damage to such installations or pipes themselves.
7. Theft or attempted theft provided that:
 - a. if the building is vacant or
 - b. in the case of a self-catering unit, the unit is rented but unoccupied at the time of theft or attempted theft or
 - c. if the property insured is at:
 - i. any furniture storage depot or bank safe deposit, or
 - ii. any other premises for repair, renovation, restoration, cleaning or dyeing

There is forcible and violent entry or exit.

- d. Loss of money and/or other property belonging to the insured or for which they are responsible, stolen by an insured employee is excluded.

8. **Damage directly occasioned by or through or in consequence of:**

- a. civil commotion.
- b. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrences referred to in (i) above provided that this event does not cover:
 - i. damage occurring in the Republic of South Africa or Namibia.
 - ii. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured.
 - iii. damage caused by total or partial cessation of work, or the retarding, interruption or cessation of any process or operation.
 - iv. damage caused by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority.
 - v. damage caused by or related to 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 damage is not covered by reason of proviso (a), (b), (c), (d) or (e) of this event, the burden of proving the contrary shall rest on the insured.

Specific conditions

1. **Condition of average**

If the property insured is, at the commencement of any defined event, 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.

2. **High Valued Jewellery**

Cover provided by this section is strictly subject to the insured item/s being stored in a locked safe that is bolted down when not being worn. A valuation certificate for any item of jewellery covered under this section to the value of R5,000 and higher requires a valuation certificate.

You must send us a valuation certificate by a professional jeweller who sets out the condition of all clasps, links and claws, and the value of the jewellery or watch. The certificate must predate the loss or damage.

We pay either:

- a. The value on the certificate if it is equal to or lower than the maximum amount of cover for the item;
- b. The maximum amount of cover if the value on the certificate is higher than the maximum amount of cover.

If an item of jewellery is stolen and there is no valuation certificate then the maximum we will settle per item of jewellery is R2,500.

Specific exceptions

This section does not cover:

- 1. money or negotiable instruments unless specially mentioned as being insured.
- 2. medal, stamp and coin collections unless specially mentioned as being insured.
- 3. motor vehicles, trailers, caravans, watercraft, aircraft of any sort whether a licence is required or not to fly such aircraft and their accessories, livestock.
- 4. property more specifically insured.
- 5. precious metals and stones, jewellery, antiques and furs to the extent that their undamaged value exceeds 30 percent of the total sum insured.

6. the contents of the insured building in respect of theft or attempted theft if the building is left vacant for more than 60 days in any one calendar year, unless the company has given its prior consent in writing to extend cover.

Extensions and Clauses

(applicable to each and every risk address stated in the policy schedule and not the individual risk)

1. **Debris removal**

The company will pay costs necessarily incurred by the insured with its written consent in removing debris from the residence following a defined event.

2. **Loss of documents**

The company will indemnify the insured for loss of or damage to the insured's personal documents up to a maximum amount stated in the Excess and Limits Schedule caused by a defined event. The company will only be liable for the value of materials and the cost of labour in reinstating the documents or obtaining duplicates and not for the value to the insured of the content or any consequential loss or damages.

3. **Goods in the open**

The company will indemnify the insured up to a maximum amount stated in the Excess and Limits Schedule for loss by fire, storm or theft of laundry, garden furniture and implements including portable braais and lawnmowers and swimming pool equipment from the insured premises.

4. **Household goods in transit**

The company will indemnify the insured up to a maximum amount stated in the Excess and Limits Schedule for damage to property insured caused by:

- a. fire, lightning, explosion, collision or overturning of the vehicle;
- b. theft or attempted theft provided that goods in an unattended vehicle were concealed and entry was visible, forcible and violent

whilst in transit between the place of purchase, repair or renovation and the insured's residence.

5. **Locks and keys**

The company will indemnify the insured up to a maximum amount stated in the Excess and Limits Schedule for costs necessarily and reasonably incurred following loss of or damage to any locks or keys (including cardkeys and remote control devices) for the premises and its outbuildings.

6. **Telephones**

The company will indemnify the insured up to an amount stated in the Excess and Limits Schedule for accidental damage, including electrical or mechanical breakdown, to any telephone or ancillary equipment in the premises provided that:

- a. Telkom trade-in regulations shall apply.
- b. Lines, extension wires and cellular telephones are excluded.

7. **Basis of valuation**

The amount payable in the event of a total loss of any article of property insured will be the current replacement cost, but the liability of the company will not exceed the sum insured on any specified item. The insured shall provide satisfactory proof of valuation and ownership of the article at the time of loss.

8. **Greening extension**

The company will indemnify the insured up to a maximum amount stated in the Excess and Limits Schedule for loss by fire, storm or theft of any equipment, not otherwise insured or able to be insured in terms of a buildings

policy, related to "Greening" such as Rainwater harvesting tanks, composters and the like from the insured premises.

The insured will be responsible for the first amount stated in the Excess and Limits Schedule of any claim in terms of this extension.

9. Alterations and/or renovations at the risk address

In the event of any alterations and/or renovations being undertaken at any risk address noted in the schedule, and for the duration of the contract, theft cover will be limited to:

- a. R25,000 in total for all applicable sections and subject to the first amount payable as stated in the schedule, whether the risk address is occupied or unoccupied. All jewellery not being worn must be securely locked away, unless such theft is accompanied by forcible and violent entry into and exit from the premises.
- b. Where any loss exceeds R25,000 in total the claim will be subject to the following:
 - i. Forcible and violent entry into and exit from the premises.
 - ii. More than R10,000 for jewellery or any one item of jewellery unless securely locked away.

10. Power Surge

The insurance granted by this Section will indemnify the Insured in respect of damage to items insured as a result of fluctuations in the power supply resulting in surges provided that:

- a. The maximum amount payable by the Company will not exceed the amount stated in the Excess and Limits Schedule if there is no power surge protection on the Distribution Board and limited to one claim in a 12 month period.
- b.
 - i. If there is power surge protection on the Distribution Board and a Statutory valid certificate of compliance regarding the suitable safeguards installed and submitted to the company prior to a loss, the maximum amount payable by the Company will not exceed the amount stated in the Excess and Limits Schedule, or the amount stated in the schedule for any one event and R100,000 any 12 month period.
 - ii. In the event of a surge occurring at the premises, replacement of the surge protection safeguard is required for cover to be reinstated and proof needs to be submitted as per b.i (above).
- c. The Insured shall be responsible for the first amount payable reflected in the schedule.

11. Accidental damage

The company will indemnify the insured for accidental damage to property insured. This extension does not cover:

- a. consequential loss of any nature.
- b. loss, destruction or damage caused by or resulting from:
 - i. wear and tear.
 - ii. depreciation.
 - iii. electrical or mechanical breakdown.
 - iv. rust, mildew, moth, vermin, insects, rodents.
 - v. scratching, denting or chipping.
 - vi. any gradually operating cause.
 - vii. any process of dyeing, cleaning or renovating.
 - viii. the action of light or atmospheric conditions.
 - ix. confiscation or detention by any process of law.
 - x. to articles of a fragile nature.
 - xi. to garden furniture and equipment.
- c. Items more specifically specified.

The limit of indemnity in respect of each and every claim in terms of this extension is R5,000 but excluding the first R1,000 of each and every claim.

12. Golfer's Hole in One

The company will pay the amount stated in the Excess and Limits Schedule if the insured scores a hole-in-one playing in an amateur game of golf in terms of the rules at any recognised golf club on written confirmation by the secretary of the club.

13. Full house in Bowls

The company will pay an amount stated in the Excess and Limits Schedule if the insured score a full house in an amateur game of bowls with all eight or nine bowls to count as a member of a team of two, three or four in terms of the rules at any recognised bowls club. You must give us written confirmation from the secretary of the club. We pay only once for every full house in one game.

This extension is limited to two full houses per year.

No claim discount

In the event of no claim being made or arising under this section of the policy during a period specified below:

1. No claims in 24 consecutive months – 20% discount will be given (3 NCB)
2. No claims in 12 consecutive months – 10% discount will be given (2 NCB)

Should any claims be made or arise in a consecutive 12 month period, the following increase in premium will be applicable:

1. 1 claim in 12 consecutive months – 5% increase will be applicable (1 NCB)
2. Any other further claims within the same 12 consecutive months – 10% – 20% increase will be applicable (0 NCB)

The increase will be done immediately after the settlement of the claim on a monthly policy and at the anniversary date of an annual policy.

The increase in premium will be applicable to all events arising from a claim under the defined peril and/or the following extensions, power surge and goods in the open.

Defined events

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

Definition

Electronic data processing equipment is limited to computers and related hardware, peripherals and computer software and the information or data stored therein or thereon.

Sub-Section A (Contents) perils applicable

1. Fire, lightning, thunderbolt, subterranean fire, explosion. (but specifically excluding power surge unless as a direct result of lightning)
2. Storm, wind, water, hail or snow excluding loss of or damage to property arising from its undergoing any process necessarily involving the use or application of water.
3. Earthquake but excluding loss of or damage to property in the underground workings of any mine.
4. Aircraft and other aerial devices or articles dropped there from.
5. Impact by animals, trees, rocks, boulders, aerals, satellite dishes or vehicles but excluding damage to such animals, trees, rocks, boulders aerals, satellite dishes or vehicles or property in or on such vehicles.
6. Theft or any attempt thereat other than by principal partner director or employee of the Insured.
7. Accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture.
8. (Applicable to Sub-Sections A and B only) Malicious Damage being the deliberate or wilful or wanton act of any person committed with the intention of causing such damage but excluding loss or damage caused by or arising from theft or any attempt thereat.

This Section does not cover:

- a. consequential or indirect loss or damage of any kind or description whatsoever;
- 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) 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) or (d) loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

Limitations clause

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

Specific condition

Average (not applicable to peril 6 or 7 above)

If the total value of the property insured is at the time of the happening of any loss or damage by any peril insured against, collectively of greater value than the sum insured thereon, the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss or damage. Each item of the schedule covering such property shall be separately subject to this condition.

Sub-Section B (Documents)

Loss of or damage to documents normally kept at the office premises by any peril not specifically excluded.

Definition

The term documents shall mean:

films, tapes, addressograph plates, books, records, maps, plans, drawings, abstracts, deeds, wills, mortgages, agreements, manuscripts, letters, certificates, documents and similar written, printed or otherwise inscribed papers and documents used by the Insured in the business and owned by them or for which they are responsible excluding money, current postage or revenue stamps, cancelled and non cancelled coupons, securities, bearer bonds, cheques, drafts and any written order to pay a sum certain in money and any written evidence of indebtedness or obligation and all property carried or held as samples or for sale or for delivery after sale and computer software and computer data carrying media unless otherwise stated in the schedule.

Limitations clause

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

Specific exceptions (applicable to Sub-Section A)

This Sub-Section does not cover:

1. property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Eswatini, Zimbabwe and Malawi;
2. designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of Sub-Section A), stock in trade, samples, motor vehicles and accessories therefore, money, securities, stamps, jewellery or precious stones;
3. the first 10% of the indemnifiable amount or R1,000 whichever is the greater if the loss or damage is due to lightning strikes or power surges (occasioned by lightning strikes);
4. cellular telephones, laptops or other portable type computers, the property of any partner, director or employee of the insured;
5. loss of or damage to property resulting from or caused by inherent vice or defect, termites, moths, vermin, insects and/or pests.

Specific exceptions (applicable to Sub-Section B)

This Sub-Section does not cover:

1. loss or damage caused by:
 - a. electric or electronic or magnetic injury, disturbance or erasure of electronic or magnetic recordings except by lightning;
 - b. vermin or inherent defect or by processing, copying or other work upon the documents;
 - c. the dishonesty of any principal partner in or of or director of the Insured whether acting alone or in collusion with others. This exception shall not apply to any director who is also an employee of the Insured and whom the Insured have the right at all times to govern, control and direct in the performance of his work in the service of the Insured in the course of the business.
2. gradual deterioration or wear and tear;
3. costs involved in re-shooting films and videos and re-recording audiotapes.

Sub-Section C (Legal liability documents)

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

Specific exception (applicable to Sub-Section C)

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

Extensions and Clauses

(applicable to each and every risk address stated in the policy schedule and not the individual risk)

1. Alterations and misdescription clause

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

2. Capital additions clause

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

3. Fire extinguishing charges clause

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 insured property was in danger from the fire.

4. Locks and keys clause

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 (including electronic access cards) to any insured office premises following upon the disappearance of any key to such premises or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that

- a. the Company's liability shall not exceed the amount stated in the Excess and Limits Schedule in respect of any one event;
- b. the Company shall not be liable for the first amount stated in the Excess and Limits Schedule of each and every event.

5. New and additional premises clause

If the Insured shall occupy offices other than those situated as stated in the schedule in the Republic of South Africa, Namibia, Botswana, Lesotho, Eswatini, 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

- a. 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
- b. this clause shall not apply to any loss if and so far as the same is otherwise insured.

6. Removal of debris clause

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:

- a. incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
- b. arising from pollution or contamination of property not insured by this Policy/Section.

7. Temporary removal clause

Except in respect of the personal property of any partner in or of or a director or employee of the Insured loss of or damage to the insured property by any peril hereby insured against while such property is temporarily contained in any building in the Republic of South Africa, Namibia, Botswana, Lesotho, Eswatini, Zimbabwe and Malawi shall be deemed to be loss or damage happening while such property is contained in the office premises.

8. Temporary repairs and measures after loss clause

The insurance under this Section is extended to include all reasonable costs and expenses as may be incurred by the Insured in effecting such temporary repairs and by taking such temporary measures as may be reasonably necessary after 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.

9. Tenants clause

The Company's liability to the Insured shall not be affected by any act or omission on the part of any tenant or owner of a building (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. Replacement value condition

The basis upon which the amount payable for a claim in respect of contents is calculated shall be either

- a. the replacement of the contents by similar property in a condition equal to but not better or more extensive than its condition when new;
- or
- b. the repair of the contents to a condition substantially the same as but not better than its condition when new;

provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the contents had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the time of the loss or damage, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

11. Power surge extension (if stated in the schedule to be included)

Cover provided under Sub-Section A is extended to include damage caused by a power surge up to the limit reflected in the schedule provided that:

- a. the electrical distribution boards on the premises and supplying the circuits to which the damaged contents were connected were at the time of the damage fitted with class 1 and/or 2 surge and/or lightning arrestors/protection devices installed to SANS 0142 specification;
- b. the Insured is responsible for the first amount payable stated in the Excess and Limits Schedule.

12. Riot and strike extension (if stated in the schedule to be included)

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

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

provided that this extension does not cover:

- i. loss or damage occurring in the Republic of South Africa and Namibia;
- ii. consequential or indirect loss or damage of any kind or description whatsoever;
- iii. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- iv. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- v. 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.

Memorandum

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

This Sub-Section does not cover loss, damage, liability or expenditure 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 – applicable to Sub-Section A (Contents)

1. Burglar Alarm Warranty (if stated in the schedule to be included)

It is a condition precedent to the liability of the Company and warranted that:

- a. a radio siren alarm system covering the entire premises linked to an armed response facility has been installed in the insured premises by an approved installation company.
- b. such alarm shall be made fully operative whenever the premises are not open for business unless a principle partner, director or employee of the insured is on the premises.
- c. such alarm shall be maintained in proper working order and regularly tested with the armed response company to ensure that it is in proper working order. Proof of such is to be provided by the insured by way of activation reports in the event of a loss.
- d. this insurance shall not cover loss or damage to the property following the use of keys or card keys of the alarm or any duplicate thereof belonging to the insured unless such keys or card keys have been obtained by violence or threat of violence to any person.

2. **Office contents excess**

Notwithstanding the excesses reflected on the item, it is hereby noted that, should the insured be able to prove to the underwriter's satisfaction that electronic equipment or other insured items being the subject of a claim for water damage were placed on pallets, shelving or other structures being a minimum of 100mm off the ground at the time of the damage the excess applicable to this section will not apply in respect of the electronic equipment items

Defined events

Loss of or damage to internal and external glass (including mirrors), signwriting and treatment thereon and bathroom fixtures and fittings at the insured premises as stated in the schedule, the property of the Insured or for which they are responsible.

Following loss of or damage to glass the Company will also indemnify the Insured for:

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

provided that the liability of the Company shall not exceed

- a. for the replacement of glass, signwriting and treatment – the sum insured as stated in the schedule applicable to the premises at which loss or damage occurs.
- b. for all other costs and expenses provided for by this Section and resulting from one occurrence or series of occurrences attributable to one source or original cause – in the aggregate the sum of R2,000.

Definition of glass

Unless specifically agreed all glass (other than mirrors) insured by this Section is presumed to be plain plate/float glass not exceeding 10mm in thickness including plastic laminated safety glass.

Specific exceptions

The Company shall not be liable for

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

Extensions

1. Special reinstatement

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 the Company shall not be liable, for more than the sum insured stated in the schedule.

2. Riot and strike extension (if stated in the schedule to be included)

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

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

provided that this extension does not cover:

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

3. **Ovens and display fridges extension**

The cover granted by this Section includes loss of or damage to fixed glass forming part of an oven or display fridge belonging to the Insured or for which the Insured is responsible up to an amount stated in the Excess and Limits Schedule any one occurrence and in the annual aggregate unless more specifically insured in the schedule provided the insured shall be responsible for the first amount stated in the Excess and Limits Schedule of each and every claim.

Accidental damage section

Defined events

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 Specified All Risks) listed in the index of this Policy.

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

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

Specific exceptions

The Company shall not be liable for

1. any peril excluded or circumstance precluded from any other insurance available from the Company at inception hereof or for any excess payable by the Insured under such insurance, or for any reduction of amount payable under any claim due to the application of average;
2. 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;
3. 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;
4. loss of or damage to insured property caused by:
 - a. 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;
 - b. overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus;
 - c. breakdown, electrical, electronic and/or mechanical derangement;
 - d. altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon;
 - e. 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;
 - f. denting, chipping, scratching or cracking not affecting the operation of the item;
 - g. termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light;
5. settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property;
6.
 - a. loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container
 - b. loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gasses or fumes
7. failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant;
8. collapse of plant and machinery, buildings and structures (other than shelving or storage platforms).

Definition

Insured property

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

1. current coin (including Krugerrands and similar coins), bank and currency notes, travellers and other cheques, money and postal orders, current unused postage, revenue and holiday pay stamps, credit card vouchers, unused MVA tokens, and other certificates, documents or instruments of a negotiable nature
2. furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art
3. property in transit by air, inland waterway or sea
4. railway locomotives, rolling stock and other railway property, aircraft, watercraft, mechanically or electrically propelled vehicles, motor cycles, mobile plant, caravans and trailers
5. 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
6. electronic data processing equipment and external data media (punch cards, tape discs and the like) and the information they contain
7. property in the course of construction, erection or dismantling including materials or supplies related thereto
8. property in the possession of customers under lease, rental, credit or suspensive sale agreements
9. glass, china, earthenware, marble and other fragile or brittle objects unless stated in the schedule to be insured.

Defined events (II) (if stated in the schedule to be included)

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

Extensions and clauses

1. Restricted cover clause

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 clause

In respect of buildings, plant and machinery insured, the sum insured includes:

- 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 does 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 clause**

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 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 clause**

The Insured shall not be prejudiced by the act of any tenant in premises he owns or in which he is a co-tenant or of the owner of any premises of which he is a tenant, provided that the Company is notified as soon as he becomes aware of such act and he pays any additional premium resulting from the Company assuming any additional hazard.

Memoranda

1. **First loss average**

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 average, but if the total value of such property shall be greater than the aforementioned sums, the Insured shall be considered as being their own insurer for the difference and the Company shall be liable only for such proportion of the first loss sum insured as the aforementioned sums shall bear to the total value not exceeding in all the total sum insured by each item.

2. **Excluded property (if stated in the schedule to be included)**

The property listed in the schedule is added to the excluded property in the definition of insured property.

3. **Reinstatement (if stated in the schedule to be included)**

The basis upon which the amount payable is to be calculated following 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 requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount that would have been payable if this memorandum had not been incorporated in this Section shall be made
- b. the Company shall not be liable for any payment beyond the amount that would have been payable if this memorandum had not been incorporated in this Section, until expenditure has been incurred by the Insured in replacing or reinstating the lost or damaged insured property

- c. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, the Insured shall be considered his own insurer for the difference and shall bear a rateable share of loss accordingly. Each item, if more than one, to which this memorandum applies shall be separately subject to this provision
- d. this memorandum shall not apply if:
 - i. the Insured fail to intimate to the Company within 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.

4. **Average (if stated in the schedule to be included)**

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

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

Goods in transit section

Defined events

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

1. the Insured shall be responsible for the first amount payable stated in the Excess and Limits Schedule in respect of each and every defined event other than a claim arising from fire, lightning or explosion;
2. the liability of the Company for all loss or damage arising from any one defined event shall not exceed the limit of indemnity stated in the schedule.

Memoranda

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

Debris removal extension

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 stated in the Excess and Limits Schedule or the limit stated in the schedule, whichever is the greater, in respect of any one defined event.

Restricted cover

1. **Fire, explosion, collision, derailment and overturning limitation (if stated in the schedule to be applicable)**

The insurance under this Section is limited to loss or damage resulting from fire or explosion or collision or the overturning or derailment of the means of conveyance described in the schedule.

2. **Fire, explosion, collision, derailment and overturning limitation and theft following thereon (if stated in the schedule to be applicable)**

The insurance under this Section is limited to loss or damage resulting from fire or explosion or collision or the overturning or derailment of the means of conveyance described in the schedule and theft following thereon.

Specific exceptions

The Company shall not be liable for

1. loss or damage resulting from or caused by:
 - a. 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 or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit;
 - b. inherent vice or defect vermin insects damp mildew or rust;
 - c. the dishonesty of any principal partner, director or employee of the Insured whether acting alone or in collusion with others;
 - d. or arising whilst in transit by sea or inland transit incidental thereto;
 - e. breakdown of refrigeration equipment.
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded.
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement of the insured property unless following an accident or misfortune not otherwise excluded.
4. loss of or damage to:
 - a. cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind;
 - b. property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Eswatini, Zimbabwe and Malawi;
 - c. property otherwise insured or which would, but for the existence of this insurance, be insured by any other insurance except in respect of any excess beyond the amount which would otherwise have been payable under such other insurance, had the insurance under this Section not been effected.
5. consequential loss of any kind, delay, loss of market, depreciation or changes brought about by natural causes.

Specific extensions

1. **Fire extinguishing charges extension (if stated in the schedule to be included)**

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 costs of extinguishing or attempting to extinguish such fire provided that the maximum amount payable under this extension shall not exceed the limit of indemnity shown in the schedule opposite this clause plus (if applicable) the increased fire extinguishing charges extension limit.

2. **Breakdown of refrigeration equipment (if stated in the schedule to be included)**

For the purposes of this extension Specific Exception 1 (e) is deleted. Provided that:

- a. The Company will not be liable for an amount exceeding the limit reflected in the schedule for any one event or series of events in any one (annual) period of insurance
- b. The Insured will be responsible for the first amount payable stated in the Excess and Limits Schedule
- c. The refrigeration equipment has been serviced and/or maintained to the manufacturers' specification for such equipment, proof of which has been recorded and copy of which has been submitted to the Company.

3. **Riot and strike extension (if stated in the schedule to be included)**

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

- a. civil commotion, labour disturbances, riot, strike or lockout;
- b. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above provided that this extension does not cover:
 - i. loss or damage occurring in the Republic of South Africa and Namibia;
 - ii. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
 - iii. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
 - iv. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
 - v. 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.

Specified all risks section

Defined events

Loss of or damage to the whole or part of the property described in the schedule whilst anywhere in the world by any accident or misfortune not otherwise excluded provided that the Insured shall be responsible for the first amount payable stated in the Excess and Limits Schedule.

Specific Exceptions

The Company shall not be liable for

1. loss of or damage to property resulting from or caused by
 - a. loss or disappearance of the insured property from any motor vehicle, caravan, trailer or watercraft when left unattended unless such loss or disappearance follows upon forcible and violent entry or exit from the said motor vehicle, caravan, trailer or watercraft. In the case of motor vehicles, property not contained in a locked boot or concealed in a compartment forming part of the locked vehicle is restricted to a maximum amount of R5,000 any one claim, but excluding electronic devices, laptops, iPods, iPads, tablets and cellular phones which should be contained in a locked boot or concealed in a securely locked vehicle;

Should theft not be accompanied by forcible and violent entry or exit from such vehicle, we will pay provided that:
 - i. the items should be individually listed on the schedule and cover is limited to 75% of the specified values, if any items are not individually specified, maximum cover for such items will be, limited to R5,000.
 - ii. The insured will be responsible for a first amount payable of 10% of claim subject to a minimum of R500.
 - iii. The Company's total liability under this extension shall not exceed R10,000 for items which are individually listed in the schedule.
 - b. its undergoing a process of cleaning, repairing, dyeing, bleaching, alteration or restoration;
 - c. inherent vice or defect, termites, moths, vermin, insects, pests, damp, mildew or rust, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light;
 - d. the dishonesty of any partner in or of or director or employee of the Insured whether acting alone or in collusion with others;
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded.
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded.
4. loss of or damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind.
5. loss of or damage to goods consigned under a bill of lading.

Specific conditions

1. Average

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

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

2. **Replacement value condition**

The basis upon which the amount payable is to be calculated shall be either

the replacement of the property by similar property in a condition equal to but not better nor more extensive than its condition when new

or

the repair of the property to a condition substantially the same as but not better than its condition when new

provided that if at the time of replacement or repair the sum representing the cost which would have been incurred in replacement if the whole of the property had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the time of the loss or damage, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

3. **Plasma/Flatscreen/LCD TV's**

Theft cover in respect of the above is strictly subject to any plasma/flat screen/LCD television being securely locked and bracketed to the wall

4. **Lightning and surge protection (if stated in the schedule to be applied)**

Cover provided by this section is strictly subject to the installation of power surge protection equipment in accordance with SANS 0142 Code of Practice. Furthermore, it is a condition precedent to liability that any Local area Computer Network, networked P.O.S systems or AV installations have specifically installed uninterrupted power supply (UPS) equipment having its own surge protection and that such surge protection equipment is installed in accordance with SANS standards.

5. **Unspecified all risks: (if stated in the schedule to be applied)**

Clothing (other than furs) and personal effects normally worn or designed to be carried by the insured, belonging to the insured but specifically excluding cellular phones or electronic devices. We will not be liable for more than 20% of the unspecified all risks sum insured for any one article.

Specific extensions

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.

Riot and strike extension (if stated in the schedule to be included)

Subject otherwise to 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:

1. civil commotion, labour disturbances, riot, strike or lockout;
2. 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.

Defined events

Loss of or damage

1. in Sub-Section A to all contents and stock, (the property of the Insured or for which they are responsible, but specifically excluding any electronic equipment, employees' personal effects, goods in the open, money and/or other property of guests) of any building at the premises stated in the schedule as a result of theft, except if otherwise specified
2. in Sub-Section B to cash, bank and currency notes or other instruments of a negotiable nature the property of the Insured, or for which they are responsible, occurring in the Republic of Botswana, Namibia, Lesotho, South Africa, Eswatini, Zimbabwe, Zambia and Malawi, except if otherwise specified.

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.

Limits

1. During normal business hours (as defined) per situation as stated on the schedule
2. Outside business hours in an approved safe
3. Safe category limits as stated in the Excess and Limits Schedule
4. Outside business hours not in a safe as stated in the Excess and Limits Schedule
5. While in the residence of any employee of the insured as stated in the Excess and Limits Schedule
6. In the custody of any partner, director, or employee while away from the premises on a business trip as stated in the Excess and Limits Schedule.

Definitions

1. Seasonal increase

The period as described during which an increased Sum Insured or Limit of Indemnity shall apply as stated in the Schedule.

2. Safe break

Loss occasioned by the actual cutting open of or physically breaking into a locked safe or strongroom without the use of keys and/or combination details outside Business Hours.

Extensions to Defined Events – Sub-Section A

1. The insurance under Sub-Section A 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

b. at any additional premises used by the Insured provided that

i. such additional premises are advised to the Company within 30 days from the time the risk attaches to the Company

ii. an additional premium, if any, is paid

iii. the Company's liability in respect of this extension shall not exceed 50% of the highest amount stated in the schedule applicable to any one premises.

2. In addition to the limit of indemnity stated in the schedule

a. the insurance under this section includes damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of theft or any attempt thereat

- b. loss of buildings, landlord's fixtures and fittings at the insured premises as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat following violence or threat of violence.
- c. 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 reasonable necessary after loss or damage giving rise to a claim under this section

Provided that the Company's liability shall not exceed the amount stated in the Excess and Limits Schedule, or the amount stated in the schedule, in respect of any one event.

3. **Money in transit**

The liability of the company in respect of loss of or damage to money arising from theft or any attempt thereat whilst in transit shall be limited as follows:

Whilst in custody or control or possession of:

- a. Any one director, partner or employee of the insured – R5,000
- b. Any two directors, partners or employees of the insured – R15,000
- c. Any professional security firm approved by the company – the major limits as stated under Sub Section B in the schedule.

Provided always that the liability of the company shall not in any event exceed the limits as stated in the schedule.

Warranted that:

- a. Any transit in either direction between the insured's premises and the insured's bank shall be direct and uninterrupted,
- b. Other than provided for under iii. above the transit of money shall be undertaken by the insured or directors or partners or employees of the insured.

4. **Theft of employee property extension**

The insurance under Sub-Section A extends to include loss of or damage to employee clothing and personal effects at the insured premises. This extension will only apply provided that the employee can prove to the satisfaction of the Company that no other insurance covering the item(s) lost or damaged is in force at the time such loss or damage occurs.

The limit of the Company's liability in respect of this extension shall not exceed R5,000 any one event.

5. **Theft of guests/customers property extension**

The insurance under Sub-Section A extends to include loss of or damage to guest/customers clothing and personal effects at the insured premises. This extension will only apply provided that the guest/customer can prove to the satisfaction of the Company that no other insurance covering the item(s) lost or damaged is in force at the time such loss or damage occurs.

The limit of the Company's liability in respect of this extension shall not exceed the amount stated in the Excess and Limits Schedule any one event.

6. **Alternative power solutions (if stated in the schedule as included)**

Loss or damage to the property described in the schedule, owned by the insured or for which the insured is responsible, caused by any theft or attempted theft not otherwise excluded or restricted.

Extensions to Defined Events – Sub-section B

1. Receptacles and clothing

In addition to any payment in respect of a defined event the Company will indemnify the Insured in respect of respect of any safe, strongroom, strongbox, till, cash register, cash box or other receptacle for money or any franking machine, clothing and personal effects not otherwise insured belonging to the Insured or to any partner, director or employee of the Insured, lost or damaged as a result of theft of money or any attempt thereat provided that:

- a. the Company's liability under this extension in respect of clothing shall not exceed the amount stated in the Excess and Limits Schedule and in respect of receptacles the amount stated in the schedule.
- b. the Company shall not be liable for the first amount stated in the Excess and Limits Schedule of each and every claim.

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 (including gate remotes and/or electronic access cards) to any security gates, rooms, guest safes and/or receptacles 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 key provided that:

- a. the Company's liability shall not exceed the amount stated in the Excess and Limits Schedule in respect of any one event
- b. the Company shall not be liable for the first amount stated in the Excess and Limits Schedule of each and every event.

3. Skeleton keys extension

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.

4. Riot and strike extension (if stated in the schedule to be included)

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

- a. civil commotion, labour disturbances, riot, strike or lockout;
- b. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above provided that this extension does not cover:
 - i. loss or damage occurring in the Republic of South Africa and Namibia;
 - ii. consequential or indirect loss or damage of any kind or description whatsoever;
 - iii. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
 - iv. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
 - v. loss or damage related to or caused by any occurrence referred to in general exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

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

5. Malicious damage theft extension

Damage to buildings at the premises described in the schedule (including landlord's fixtures and fittings) and all contents (whilst in such buildings), the property of the Insured or for which they are responsible caused by the deliberate or wilful or wanton act of any person during the course of theft or attempted theft provided that this extension does not cover:

- a. consequential or indirect loss or damage of any kind or description whatsoever;
- b. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- c. loss or damage related to or caused by any occurrence referred to in General Exception 1. (A), (i), (ii), (iii), (iv), (v) and (vii) or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If the Insurers allege that by reason of 1.1, 1.2 and 1.3 loss or damage is not covered by this policy the burden of proving the contrary shall rest on the Insured.

The limit of indemnity in respect of each and every claim is stated in the Excess and Limits Schedule per event.

Specific exceptions

The Company shall not be liable for loss of or damage under Sub-Section A or B:

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

Specific exceptions 3, 4, 5 and 6 do not apply up to an amount of R1,500 and such losses shall not be reduced by any first amount payable.

Memoranda

1. Loss of or damage under Sub-Section A and B arising from dishonesty of any person or persons in the employ of the Insured as insured under this Section shall be subject to the following compulsory First Amount Payable Clause:

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

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

Both amounts shall be borne in full by the Insured.

2. The Company shall not be liable under this Section of the Policy in respect of 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 Section of the Policy or any other fidelity insurance.

Specific exceptions applicable to Sub-Section A

The company shall not be liable for:

1. loss or damage which can be insured under a fire policy except in the case of explosion caused in an attempt to effect entry
2. loss or damage insurable under a glass insurance policy
3. property more specifically insured or, unless specified in the schedule, cash, bank and currency notes, and documents or certificates of a negotiable nature.

Specific conditions

Burglar alarm warranty (if stated in the schedule to be included)

It is a condition precedent to the liability of the Company and warranted that:

1. a radio siren alarm system covering the entire premises linked to an armed response facility has been installed in the insured premises by an approved installation company.
2. such alarm shall be made fully operative whenever the premises are not open for business unless a principle partner, director or employee of the insured is on the premises.
3. such alarm shall be maintained in proper working order and regularly tested with the armed response company to ensure that it is in proper working order. Proof of such is to be provided by the insured by way of activation reports in the event of a loss.
4. this insurance shall not cover loss of damage to the property following the use of keys or card keys of the alarm or any duplicate thereof belonging to the insured unless such keys or card keys have been obtained by violence or threat of violence to any person.

Defined events

1. Loss of money and/or other property, belonging to the Insured or for which they are responsible (but specifically excluding money and/or other property of guests), 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 any 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:
 - a.
 - i. the Company is not liable for all losses which occurred more than 24 months prior to discovery;
 - ii. all losses are discovered not later than 12 months after the termination of:
 - this Section, or
 - this Section in respect of any insured employee concerned in a loss, or
 - the employment of the insured employee or the last of the insured employees concerned in a loss whichever occurs first
 - b.
 - i. 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;
 - ii. 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 set opposite the position held by him in the business as stated in the schedule;
 - c. renewal of this insurance from period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the Company beyond the sum insured stated in the schedule: if the period of insurance is less than 12 months the Company's liability is limited to the sum stated in the schedule during any 12 month period of insurance calculated from inception or renewal
 - d. the term "dishonest personal financial gain" shall not include gain by an employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

Definition

Employee shall mean:

1. any person while employed under a contract of service with or apprenticeship to the Insured;
2. 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 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 Policy;
 - ii. any principal, director or member of the Insured unless such director or member is also an employee;
 - iii. any employee from the time the Insured shall become aware that such employee has committed any fraud or dishonesty;
 - 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
 - a. manipulation of
 - b. input into
 - c. suppression of input into
 - d. destruction of
 - e. alteration of

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

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

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

This specific exception only applies to Partnerships, Proprietary Companies or Close Corporations

Specific conditions

1. The Insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting his business as has been represented to the Company by the Insured 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, remove such employee and place in his position any other person who falls within the definition of employee;
 - d. make such other changes as are approved beforehand in writing by the Insured's auditors.
2. If the Insured shall sustain any loss to which this Section applies which exceeds the amount payable hereunder in respect of such loss, the Insured shall be entitled to all recoveries (except from 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 coinsurance in terms of item (b) the compulsory first amount payable clause.
3. Theft by Insured staff/employees

Cover provided by this section is strictly subject to a criminal record check being done on all insured employees. This is to be done at beginning of employment. Furthermore theft/loss emanating from any employee that holds a criminal record specifically excluded.

Extensions and clauses

1. Accountants clause

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

2. Extended cover for past employees extension

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

3. **Retroactive cover extension – no previous insurance policy in force (if stated in the schedule to be included)**

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

4. **Superseded policy extension (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 months of the termination of the employment of the employee concerned or within 12 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 months prior to discovery.

Other insurances

It is a condition of this Section that other than:

1. Sub-Section B of the Crime Section;
2. that declared to the Company at inception or renewal or time a claim is submitted;
3. a fidelity pension fund Policy which is not in excess of this Section;
4. this Policy

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

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:

1. 2% of the aggregate of the sum insured under this Section and the declared insurance or R60,000 whichever is the lesser plus
2. a further amount of 10% of the nett amount payable after deduction of the amount specified in a. above.

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

Computer losses first amount payable

The percentage shown in (b) of the compulsory first amount payable clause is increased from 10% to 20% if the defined event results from the dishonest

1. manipulation of
2. input into
3. suppression of input into
4. destruction of
5. 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.

First amount payable for losses discovered more than 12 months after they were committed

If any defined event is discovered more than 12 months after

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

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

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

Voluntary first amount payable clause (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 such voluntary amount exceeds the compulsory amount.

Reduction/reinstatement of insured amount clause (if stated in the schedule to be applicable) The payment by the Company of any loss involving one employee or any number of employees shall not reduce the Company’s liability in respect of the remaining insured employees provided that:

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

$$\text{Annual premium in force at time of discovery of loss} \times \frac{\text{Amount of Insured loss}}{\text{Sum insured at time of discovery of loss}}$$

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

Computer losses extension (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.

Extension for losses discovered more than 24 months after being committed but not more than 36 months thereafter (if stated in the schedule to apply)

In consideration of the payment of an additional premium, Proviso 1(a) of the defined events is restated to read:

1. the Company is not liable for all losses which occurred more than 36 months prior to discovery.
2. If this Policy Section includes the superseded policy clause, the period referred to in proviso 6 thereof is increased from 24 months to 36 months

Extension granted on receipt of a satisfactory systems audit in respect of losses discovered more than 24 months after being committed (if stated in the schedule to be included)

In consideration of the accounting firm named in the schedule having conducted a satisfactory audit of the Insured’s system of:

1. control
2. fraud, dishonesty and theft detection

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

- a. proviso 1(a) of the defined events (which limits cover to that part of losses discovered within 24 months) and proviso 6 of the superseded insurance extension clause (if applicable) are deleted
- b. if any defined event is discovered more than 12 months after it was committed, the percentages contained in the under noted first amount payable clauses are increased as follows:

First amount payable clause	First amount payable increased to percentage shown below if losses discovered more than 12 months after 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 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 months after they were committed is deleted.

Memoranda

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 (ii) of general condition 6, refrain from reporting the matter to the police but shall do so immediately should the Company require such action to be taken.
2. Non-disclosure of his own fraud or dishonesty or that of others with whom he is in collusion by the person signing any proposal form or giving renewal or other instruction shall not prejudice any claim under this Section.
3. General exceptions 1 and 3 and general condition 9 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.

Business interruption section

Defined events

Loss following interruption of 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:

1. Sub-Section A of the Material Damage Section of this Policy
2. the Office Contents Section of this Policy
3. the Crime Section of this Policy
4. the Transit Section of this Policy
5. the Computer Section of this Policy but only in respect of perils insured under the under Sub-Section A of the Material Damage Section (hereinafter termed Damage)
6. any other material damage insurance covering the interest of the Insured but only in respect of perils insured under Sub-Section A of the Material Damage Section (hereinafter termed Damage)
7. Defined Event (I) of the Accidental Damage Section of this Policy (hereinafter termed Damage) provided that:
 - a. the provision under any item of this Section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of the event
 - b. the Company shall not pay more than the sum insured stated in the schedule of the Accidental Damage Section for both this Section and the Accidental Damage Section combined.

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

The company will indemnify the insured in accordance with the provisions of the specification hereinafter set out.

Specific exclusions

1. Non-damage exclusion

All claims, losses of whatsoever nature, as a result of business interruption and costs in connection with or arising directly or indirectly from an incident or happening, where the losses are not solely due to physical damage to insured property or property of the type insured under this policy, are excluded. This exclusion also applies but is not limited to any act of a lawfully established or recognised authority, in relation to closure, restriction, or prevention of access, in connection with the foregoing.

This exclusion does not apply to the following extensions:

- a. Violent crime, animal and shark attack extension
- b. Liquor licence extension
- c. Air-conditioning, ventilation and extraction failure extension
- d. Generator failure extension
- e. Bilking extension
- f. Franchisor conditions extension
- g. Hospitalisation of a key member extension
- h. Cancellation of bookings extension

Specific conditions

1. The insurance under this Section shall cease if the business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the Company.
2. On the happening of any damage in consequence of which a claim may be made under this section, the insured shall, in addition to complying with General conditions 6 and 7, with due diligence do or concur in doing and permit to be done all things which may reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss.

In the event of a claim being made under this section the insured shall, not later than 30 days after the expiry of the indemnity period, or within such further time as the company may in writing allow, at their own expense deliver to the company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom.

No claim under this section shall be payable unless the terms of this specific condition have been complied with and, in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the company forthwith.

3. The Business Interruption Sum Insured must be based on the establishments annualized Gross Profit/Revenue irrespective of the indemnity period. This annualized sum insured will be considered against your annual financial statements or bookkeeping records in the event of a claim. The exposure is defined by the indemnity period and therefore the policy rating will be applied for the indemnity period selected.

In the event of a claim falling under any Business Interruption extension, the settlement will be reviewed against the annualised Gross Profit/Revenue figure however, the claim will not exceed the extension indemnity period and/or limit reflected in the policy wording.

Item 1 Gross profit (difference basis)

The insurance under this item is limited to loss of gross profit due to:

1. reduction in turnover and
2. increase in cost of working

and the amount payable as indemnity hereunder shall be:

1. 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
2. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

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

Item 1 Gross profit (additions basis)

The insurance under this item is limited to loss of gross profit due to:

1. reduction in turnover and
2. increase in cost of working

and the amount payable as indemnity hereunder shall be:

1. 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
2. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

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

Memorandum

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:

1. loss of gross rentals and
2. increase in cost of working

and the amount payable as indemnity hereunder shall be:

1. 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.
2. In respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of gross rentals which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of gross rentals thereby avoided

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

Item 3 Revenue

The insurance under this item is limited to:

1. loss of revenue and
2. increase in cost of working

The amount payable as indemnity hereunder shall be:

1. 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;
2. 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 loss of revenue thereby avoided;

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

Item 4 Additional increase in cost of working

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

Item 5 Wages (Number of weeks basis)

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

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

Item 6 Fines and penalties for breach of contract

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

Item 7 Compensation for levies

The insurance under this item will, subject to the following conditions, provide compensation for the loss of use of the time share units by the registered owner of such unit.

Cover will be strictly subject to there having been material damage insured under this Policy for which a claim of indemnity has already been admitted by the Company. The units claimed for must have been the subject of such material damage. The period for which compensation is payable, will be subject to the underlying indemnity period on the Policy. The basis for compensation will be determined on the actual value of the levy for any one week, for which the unit/s is/are unavailable to the time share owner/s as a result of such material damage which resulted in the loss of use of such unit.

Claims for compensation must be formulated and lodged by the Insured. Compensation for loss of use will not be considered where units of similar category remained available to the time share owner/s at the Insured resort for reallocation, during the course of the period for which a claim has been lodged.

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.

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

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: As specified in the schedule, (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: As specified below (the words and expressions used shall have the meaning usually given to them in the books of account of the insured):

Standard turnover

Standard revenue

Standard gross rentals – The turnover (revenue) (gross rentals) during that period in the 12 months immediately before the date of the damage which corresponds with the indemnity period.

Annual turnover

Annual revenue

Annual gross rentals – The turnover (revenue) (gross rentals) during the 12 months immediately before the date of the damage.

Rate of gross profit – The rate of gross profit earned on the turnover during the financial year immediately before the date of the damage.

to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations 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.

Memorandum

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

Extensions and clauses (applicable to each and every risk address stated in the policy schedule and not the individual risk)

1. **Franchise fees clause**

Subject to the underlying terms, conditions and definitions contained under items 1: Gross Profit (Difference and Additions basis) it is specifically noted that:

- a. any usual franchise fees calculated on a flat or fixed amount and which notwithstanding the interruption of or interference with the business, remain payable by the Insured to the franchisor, will be deemed to be included as standing charges for the purposes of calculating the gross profit and for the application of the gross profit;
- b. any usual franchise fees calculated on a percentage of turnover, gross profit or net profit and which, notwithstanding the interruption of or interference with the business, remain payable by the Insured to the franchisor, will be deemed to be included as standing charges for the purposes of calculating the gross profit and for the application of the rate of gross profit.

2. **Accountants clause**

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

3. **Accumulated stocks clause**

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

4. **Departmental clause**

If the business is conducted in departments or branches, the independent trading result of which are ascertainable, the provisions under items 1 (gross profit), 2 (gross rentals) or 3 (revenue) relating to reduction in turnover/gross rentals/revenue and increase in cost or working, shall apply separately to each department or branch affected by the Damage, except that if the sum insured by the relative item is less than aggregate of the (annual gross rentals) (annual revenue) (sums produced by applying the rate of gross profit) for each department or 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 indemnity period exceeds 12 months), the amount payable shall be proportionately reduced.

5. **Deposit premium clause (If stated in the schedule to be included)**

In consideration of the premium by items 1, 2 or 3 being provisional in that it is calculated on 75 % of the sum insured, the premium is subject to adjustment on expiry of each period of insurance as follows:

In the event of the gross profit/gross rentals/revenue earned (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12 months) during the financial year most nearly concurrent with any period of insurance being less or greater than 75 % of the sum insured thereon, a pro rata return or additional premium not exceeding 33 % 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.

6. **Salvage sale clause**

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.

7. **Extensions to other premises**

Loss as insured by this Section resulting from interruption of the business in consequence of Damage (as within defined) at the undernoted situations or to property as undernoted shall be deemed to be loss resulting from Damage to property used by the Insured at the premises:

- a. Specified Suppliers/Sub-Contractors (if stated in the schedule to be included)

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

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

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

c. Storage, transit and vehicle

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

d. Contract sites

Any situation not in the occupation of the Insured where the insured are carrying out a contract.

e. Prevention of access

Property within a 10km radius of the Insured's premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the Insured therein shall be damaged or not. Geographical limits confined to the Republic of South Africa.

Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed the amount stated in the Excess and Limits Schedule.

f. Additional premises

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

g. Public utilities – Insured perils only

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

Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed the amount stated in the Excess and Limits Schedule.

The company shall not be liable for the first 24 hours in the event of each and every claim under this extension.

h. Public telecommunications – Insured perils only

i. Property at the premises of any public authority which is empowered by law to supply telecommunications facility to the Insured

ii. The transmission facilities network of the public authority mentioned in (i).

Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed the amount stated in the Excess and Limits Schedule.

i. Other events

(Note – all covers (i to vi) below are limited to a 3-month indemnity period or a maximum amount as stated in the Excess and Limits Schedule)

Loss directly caused by interruption of, or interference with the business in consequence of and resulting in a reduction of the Insured's turnover:

- i. violent crime, murder or suicide occurring at the premises stated in the schedule
- ii. food or drink poisoning at the premises or attributable to food or drink supplied from the premises stated in the schedule
- iii. closure of the premises stated in the schedule due to defective sanitation, vermin or pests on the order of the competent local authority
- iv. the Insured or any of the Insured's directors, partners or employees being summonsed to appear in court as a witness
- v. bomb threat within 1km of the premises
- vi. shark attack or attack by wild game including hippopotamus, rhinoceros, lion, leopard, cheetah, crocodile, buffalo, elephant, baboons and monkeys within a radius of 1 kilometres of the premises stated in the schedule.

8. Specified tourist attraction extension (if stated in the schedule to be included)

Loss as insured by this Section of the tourist attraction specified in the schedule resulting in interruption of the business due to or damage to the tourist attraction stated in the schedule.

Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed 3 months or a maximum R250 000.

9. Liquor licence extension

Definitions applicable to this extension

Licence means the licence granted for the retail sale of excisable liquors at the premises stated in the schedule.

For the purposes of this Section the term 'Insured' includes the Licence holder. The Cover applicable to this extension in the event of the Licence being:

- a. forfeited under the provisions of the legislation governing such licences or
- b. refused renewal by the appropriate licensing authority after due application for such renewal during the Period of Insurance from causes beyond the control of the Insured, the Company will pay or make good to the Insured all loss in respect of
 - i. the depreciation in value of the interest of the Insured in the Premises and/or the Business.
 - ii. the cost and expenses incurred by the Insured with the written consent of the Company in connection with any appeal against the forfeiture of or refusal to renew the Licence.
 - iii. the reduction in turnover as a direct result of such forfeiture.

Exclusions applicable to this extension

The Company shall not be liable if:

- a. the Insured is entitled to obtain the payment of compensation under the provisions of any Act of Parliament in respect of the refusal to renew the Licence.
- b. the forfeiture of or refusal to renew the Licence arises directly or indirectly from any scheme of town or country planning, improvement, redevelopment or compulsory purchase or the surrender, reduction or redistribution of licences in connection therewith, or from any alteration in the law affecting the granting, surrender, refusal to renew or forfeiture of licences.
- c. the forfeiture of or refusal to renew the licence be occasioned wholly or partly by or through the misconduct or procurement or connivance or neglect or omission of the Insured or by any omission of the Insured to take any step necessary for keeping the licence in force. No claim shall arise under this Section unless the Insured or any other claimant hereunder shall prove to the reasonable satisfaction of the Company that such matter was beyond his or their power or control.

Special conditions applicable to this extension

- a. The Insured shall give notice in writing to the Company immediately the Insured becomes aware of any:
 - i. complaint against the control of the premises
 - ii. proceeding against or conviction of the Licence Holder, Manager, Tenant or Occupier of the premises for any breach of the licensing laws or any other matter whereby the character or reputation of the person concerned is affected with respect to his/her honesty, moral standing or sobriety
 - iii. change in the tenancy or management of the premises
 - iv. transfer or proposed transfer of the Licence
 - v. alteration in the purpose for which the premises are used
 - vi. objection to renewal or other circumstances which may endanger the Licence or renewal thereof.

Subject to such notice the Insured shall be deemed to have reaffirmed at the date of each renewal of this Section the statements made in the proposal and/or any other information upon which this insurance is based.

- b. In the event of forfeiture or refusal of renewal of the Licence the Insured shall notify the Company immediately after the order by the authorities and shall state so far as the Insured is able the grounds upon which such order has been made.
- c. In the event of the death, bankruptcy, incapacity, desertion of the premises or conviction for any offence where such conviction affects the character or reputation of the convicted person with respect to his honesty, moral standing or sobriety of the Insured shall where practicable and at the request of the Company procure a suitable person to replace him and one to whom the justice will transfer the licence or grant the licence by way of renewal.
- d. Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed the amount stated in the Excess and Limits Schedule.

10. Air-conditioning, ventilation and extraction failure extension

Loss as insured by this Section resulting from interruption of the business as a result of the failure of any ventilation or extraction system which controls the cooling, heating or extraction requirements of the premises stated in the schedule.

Should such interruption arise from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for the first 24 hour following such interruption or interference.

Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed the amount stated in the Excess and Limits Schedule.

11. Generator failure extension

Loss as insured by this Section resulting from interruption of the business as a result of the failure of the auxiliary power plant to operate in the event of the failure of the main electricity supply grid from which the Insured normally receive their power provided that the failure of the auxiliary power plant is not as a result of:

- a. lack of maintenance
- b. normal wear and tear
- c. a shortage of or the incorrect supply of fuel
- d. a flat battery or battery failure at the initial time of starting the equipment.
- e. failure on the insured's part to conduct weekly testing

Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed the amount stated in the Excess and Limits Schedule.

12. Bilking extension

The insurance under this item is limited to the value of a guest account which is not settled in full prior to their final departure from the insured premises provided that this does not cover bad debts.

Cover extends to include the use of fraudulent credit cards or accounts which have been fraudulently settled, excluding the value of a lost reservation or any other form of consequential loss and only if discovered within 48 hours of the transaction being processed.

For food and beverages cover is limited to the amount stated in the Excess and Limits Schedule.

For entertainment and leisure cover is limited to the amount stated in the Excess and Limits Schedule.

13. Surrounding property/Loss of key tenant extension

Loss as insured by the Policy resulting from interruption of the Business in consequence of damage to property forming part of, or contained within, the complex of which the premises forms a part and which results in a cessation or diminution of trade due to temporary falling away of potential custom whether the premises or property of the Insured contained therein shall be damaged or not.

Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed the amount stated in the Excess and Limits Schedule.

14. Evacuation extension

The Defined Events referred to in the schedule are amended to include loss following interruption of or interference with the business during the period of insurance in consequence of use of or access to the premises being prevented by fire, flood and/or bomb-scare provided that

- a. such use of, or access to, the premises is prevented on the order of the South African Police Services or other competent local authority,
- b. the maximum amount payable by the Company will not exceed the amount stated in the Excess and Limits Schedule
- c. the insured shall be responsible for the first amount stated in the Excess and Limits Schedule in respect of this extension

15. Evacuation costs extension

The insurance under this item is limited to the costs of evacuating the guests at the premises in consequence of use of or access to the premises being prevented by fire, flood and/or bomb-scare provided that:

- a. such use of, or access to, the premises is prevented on the order of the South African Police Service or other competent local authority
- b. the maximum amount payable by the Company will not exceed the amount stated in the Excess and Limits Schedule
- c. the insured shall be responsible for the first amount stated in the Excess and Limits Schedule in respect of this extension.

16. Franchisor extension (if stated in the schedule to be included)

Subject otherwise to all other underlying terms and conditions, the interests of the franchisor/s specified in the schedule are specifically noted, payment for that portion of the indemnity calculation represented by the franchise fees shall be made to the franchisor described therein whose receipt shall be a full and final discharge to the Insured and to the Company in respect of such franchise fees.

17. Franchisor condition extension

Loss as a result from interruption of or interference with the business in consequence of total or partial failure of the Franchisee to comply with the Health and Safety regulations as stipulated by the Franchisor in the Franchise contract. Provided that:

- a. The company shall not be liable if:
 - i. Insured does not comply with National Health and Safety regulations.
 - ii. There is lack of maintenance on Equipment.
 - iii. There is negligence of any kind by the insured.

- b. There shall be no liability under this extension for the first 24 hours following such interruption or interference.
- c. The insurance granted by this extension shall not exceed the amount stated in the Excess and Limits Schedule any one occurrence unless more specifically insured in the schedule.

18. Hospitalisation of key member

Loss following interruption of or interference with the business or resulting in day to day operational disruption directly resulting from the hospitalisation and recuperation period as a result of illness of a “key” member of the business. The company will not be responsible for the first seven days of such loss but where the period of hospitalisation and recuperation exceeds seven days the company shall be liable for the full period but in every case limited to 14 (fourteen) days from date of first hospitalisation.

The company shall not be liable for the first 24 hours in the event of each and every claim under this extension.

19. Cancellation of bookings

The insurance under this item is limited to the loss of the value of deposits received for a reservation (booking) in consequence of returning or refunding such deposits following curtailment or cancellation of the relevant bookings due to a cause listed below:

- a. Accidental injury, illness or death of:
 - i. the person for whom the booking was made or any person with whom he/she has arranged to travel;
 - ii. a close relative, fiancé or close business colleague of the person for whom the booking was made.
- b. Pregnancy of the person for whom the booking was made.
- c. Compulsory quarantine or witness in a court of law applying to the person for whom the booking was made or any person with whom he/she has arranged to travel.
- d. The property of the person for whom the booking was made being burgled or damaged by fire, water or the elements, necessitating his/her return home.
- e. Any official requirement for the person for whom the booking was made to attend emergency duty in the military, medical or public service.
- f. Cancellation or curtailment of a sporting event, concert, conference or exhibition which otherwise would have been held at a venue within a radius of 5 kilometres of the Insured premises.

Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed the amount stated in the Excess and Limits Schedule.

This extension does not cover

- a. deposits recovered or recoverable from any source by or on behalf of the person/s cancelling or curtailing the relevant bookings and on whose behalf compensation is claimed
- b. in respect of items 1 and 2 above, more than the limit reflected in the schedule for any one event or series of events in any one (annual) period of Insurance.

Specific exceptions applicable to this extension:

- a. The Company shall not be liable for claims where at the time that the booking was made:
 - i. the person was aware of any medical condition or set of circumstances, which could reasonably be expected to give rise to the booking being cancelled or curtailed.
 - ii. any person whose condition gives rise to a claim was receiving, on a waiting list for, or had knowledge of the need for, in patient treatment at a hospital or nursing home.
 - iii. any person whose condition gives rise to a claim was travelling against the advice of a medical practitioner or for the purpose of obtaining medical treatment abroad.
 - iv. any person whose condition gives rise to a claim was, during the prior 12 months, suffering from any chronic and/or recurring illness of a serious nature which had necessitated consultation or treatment unless declared to and accepted by the Company.

- b. The Company shall not be liable for claims directly or indirectly arising from:

winter sports, mountaineering, underwater activities requiring the use of artificial breathing apparatus, pot-holing or any other underground activities, riding or driving in any kind of race, wilful winter sports, mountaineering, underwater activities requiring the use of artificial breathing apparatus, pot-holing or any other underground activities, racing except on foot, wilful exposure to risk (other than an attempt to save human life), manual work in connection with a profession, business or trade, or flying (except whilst travelling as a passenger in a fully licensed passenger carrying aircraft).

20. **Greens extension (if stated in the schedule to apply)**

Cancellation cover as a result of forced cancellation of golf games as a result of the following extreme weather conditions which are noted to be dangerous to participants:

- a. Excessive rain
- b. Wind from Beaufort Force 6 Upwards (=>39km/h)
- c. Thunderstorm with lightning
- d. Cancellation on account of weather that could endanger life/limb of participants or spectators
- e. Flooding of the venue
- f. Inaccessibility due to weather or flooding, by road or on foot, of the venue
- g. Excessive cold (frozen course).

Notwithstanding the indemnity period reflected in the schedule, the indemnity period in respect of this extension shall not exceed 5 events in a 12 month period and limited to R200 000 per event and not exceeding 30 days.

The company shall not be liable for the first 72 hours (3 days) in the event of each and every claim under this extension.

Employee benefits section

Defined events

Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or employee of the insured (hereinafter in this section referred to as such person) specified in the schedule.

The company will pay to the insured, on behalf of such person or his estate, the compensation stated in the schedule in the event of accidental bodily injury to any such person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the schedule under the heading circumstances.

Definitions

Permanent disability shall mean:	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 eye	100
sight of eye	100
sight of eye except perception of light	75
c. permanent and total loss of hearing:	
both ears	100
one ear	25
d. permanent and total loss of speech	100
e. injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
f. loss of four fingers	70
g. loss of thumb:	
both phalanges	25
one phalanx	10
h. loss of index finger:	
three phalanges	10
two phalanges	8
one phalanx	4
i. loss of middle finger:	
three phalanges	6
two phalanges	4
one phalanx	2
j. loss of ring finger:	
three phalanges	5
two phalanges	4
one phalanx	2

Permanent disability shall mean:	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

Memoranda

1. Where the injury is not specified, the company will pay such sum as, in their opinion, is consistent with the above provisions.
2. Permanent total loss of use of part of the body shall be treated as loss of such part
3. 100 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.

Definitions

1. Immediate medical treatment means a medical practitioner’s treatment, consultations and prescribed medication in respect of treatment commencing within 24 hours of the time and date of the injury.
2. Temporary total disability shall mean total and absolute incapacity from following usual business or occupation.
3. Medical emergency treatment costs means all reasonable and unexpected costs incurred by the insured person for injury that requires immediate medical treatment at a hospital as a result of an accident. The insured person has to be admitted to a hospital for medical treatment for injury that in a medical practitioner’s opinion is an emergency and requires hospital admission.

Business limitation (if stated in the schedule to be applicable)

This section applies only in respect of accidental bodily injury to such person arising from and in the course of his employment in the business.

Provisos

It is declared and agreed that

1. the company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as 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 or over 70 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 2 and 9 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.

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 has sustained injury to which this section applies, and that such injury has resulted in the death of such person, the company will, for the purposes of the insurance afforded by this section, presume his death provided that if, after the company shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the insured to the company.

3. Burns disfigurement (if stated in the schedule to be included)

Subject to the exclusion shown below, the following item is added to permanent disability:

- n. permanent disfigurement resulting from accidental external burns to the combined surface area of the:

Percentage of Compensation	
i. face and neck	50
100% surface area disfigurement	The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement
less than 100% surface area disfigurement	
ii. remaining parts of the body other than the face and neck	25
100% surface area disfigurement	The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement
less than 100% surface area disfigurement	

The company shall not pay under any sub item of this extension unless the disfigurement exceeds 10% for the sub item under which a claim is lodged.

4. Life support machinery

Notwithstanding anything contained in the defined events, the twenty four month period stated therein shall not include any period or periods where the death of such person is delayed solely by the use, for periods of not less than three consecutive days, of life support machinery, equipment or apparatus.

Specific exceptions

The company shall not be liable to pay compensation for death, health or disability in respect of such person:

1. while he is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
2. by his suicide or intentional self injury;
3. caused solely by an existing physical defect or other infirmity of such person;

4. 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);
5. as a result of his participation in any riot civil commotion or terrorism;
6. in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof;
7. while he is, or as a result of his, engaging in:
 - a. motor cycling, motor quadrucycling or motor tricycling (whether as a driver or passenger) other than on the business of the insured
 - b. racing of any kind involving the use of any power driven (aa) vehicle (ab) vessel (ac) craft
 - c. mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football or hang gliding.

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 previous consent of the company to the extent of but not exceeding R7,500, 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, Eswatini, Zimbabwe, Mozambique, Zambia or Malawi 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 retail value of the vehicle and its accessories and spare parts at the time of such loss or damage.
2. the Company may at its own option repair reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the reasonable retail 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), under this Sub-Section, the Insured shall be responsible for the first amounts payable stated in the schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this Sub-Section (including any payment in respect of costs expenses and fees) and of any expenditure by the Company in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the Company shall include any first amount payable for which the Insured is responsible, such amount shall be paid by the Insured to the Company forthwith.
5. the Company shall not be liable for more than the amount stated in the schedule (after deduction of the first amounts payable) in respect of the theft or attempted theft of vehicle audio equipment or telephones not supplied by the manufacturers of the vehicle when new.

Exceptions to Sub-Section A

The Company shall not be liable to pay for:

1. consequential loss or damage 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.
2. damage to tyres by application of brakes or by road punctures cuts or bursts.
3. damage to springs and/or shock absorbers due to inequalities of the road or other surface or to impact with such inequalities.
4. costs exceeding R1,000 in respect of towing and/or storage costs at a supplier not within the Company's motor claims supply chain.
5. depreciation in value whether arising from repairs following an insured event or otherwise, wear and tear, gradually operating causes such as but not limited to rust, mildew, corrosion or decay, mechanical or electrical breakdown, failure or breakage.
6. loss of a vehicle due to a fraudulent buying or selling transaction.
7. loss, damage or injury caused, or suffered, or incurred, while the driver of the vehicle uses or operates a cellular or mobile telephone, or other communication device in one, or both hands while driving, unless such communication device is affixed to the vehicle. This is stipulated in Regulation 308A of the South African National Road Traffic Act.

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 against all sums including claimant's costs and expenses which the Insured and/or any passenger shall be come legally liable to pay in respect of:

1. 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
2. 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 or 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 any act causing or relating to any event which may be the subject of indemnity under his 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 were the Insured observe fulfil and be subject to the terms exceptions and conditions of this Policy 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 of any amount not recoverable thereunder.
3. indemnify the Insured while personally driving or using any private type motor car not belonging to him and not leased or hired to him under a lease or suspensive sale agreement, provided the Insured is an individual and has insured hereunder a vehicle being driven or used.
4. indemnify the Insured in respect of liability in connection with 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 nor to property therein or thereon.

Exceptions to Sub-Section B

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

1. 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 affected.
2. 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 2 (a) (ii), 2(b), 2 (c), 2(d), 2(e) or 2(f) at the time of the occurrence of the event from which any claim arises.
3. 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.
4. This policy does not cover any claim, loss, liability, cost or expense in respect of injury of whatsoever nature or death where such injury of whatsoever nature or death is the subject in respect of any compensation or claim that falls within the scope of any compulsory third party legislation including the Road Accident Fund Act 1996 as amended within the Republic of South Africa. This exception shall apply notwithstanding that no insurance under any such Fund is in force or has been affected or not.

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 amount stated in the Excess and Limits Schedule.

Sub-section C Medical emergency treatment costs

Definitions

1. Bodily injury means identifiable physical injury which is caused by an accident
2. Medical emergency treatment costs means all reasonable and unexpected costs incurred by the insured person for injury that requires immediate medical treatment at a hospital as a result of an accident. The insured person has to be admitted to a hospital for medical treatment for injury that in a medical practitioner's opinion is an emergency and requires hospital admission.

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 as stated in the Excess and Limits Schedule 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 include any costs incurred to free such injured occupant from such vehicle or to bring such injured occupant to a place where medical treatment can be given.

Defined vehicle but only if it is insured under Sub-Section A of this Section	Specified part of vehicle in which the injury must occur
1. Any private type motor car or motorised	Anywhere inside the vehicle. caravan.
2. Any type of insured vehicle other than 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 Policy.

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 persons including the driver).
- b. Light commercial vehicles with a carrying capacity of less than 3 500 kilograms (including bakkies and light delivery vehicles) or vehicles designed to seat 9 persons including the driver, being minibuses, kombi's or the like.
- c. Commercial vehicles with a carrying capacity exceeding 3 500 kilograms and special type vehicles as described in the schedule.
- d. Motor cycles (including motor scooters and 3-wheeled vehicles)
- e. Buses (including any vehicle used for business purposes and designed to seat more than 9 persons, including the driver).
- f. Trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto

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 insurer's maximum liability shall not exceed the lesser of the reasonable retail value of the replacement vehicle or the limit of indemnity of the replaced vehicle or the limit of indemnity of the replaced vehicle as stated in the schedule.

No claim discount

In the event of no claim being made or arising under this section of the policy during a period specified below:

1. No claims in 24 consecutive months – 20% discount will be given (3 NCB)
2. No claims in 12 consecutive months – 10% discount will be given (2 NCB)

Should any claims be made or arise in a consecutive 12 month period, the following increase in premium will be applicable:

1. 1 claim in 12 consecutive months – 5% increase will be applicable (1 NCB)
2. Any other further claims within the same 12 consecutive months – 10% - 20% increase will be applicable (0 NCB)

The increase will be done immediately after the settlement of the claim on a monthly policy and at the anniversary date of an annual policy.

The increase in premium will be applicable to all events arising from a defined peril unless otherwise stated in the schedule.

Extensions and clauses

1. Contingent liability extension

The indemnity under Sub-Section B shall include claims made against:

- a. the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the Insured while being used by any partner 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 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-Section B are deleted
- ii. the Company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above
- iii. the payment by the Insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension
- iv. if, at the time of the occurrence of any accident giving rise to a claim under this extension, the Insured or such person as 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 extension

Exception (b) to Sub-Section B shall not apply to vehicles described in definition 2 (b), other than special types, or in definitions 2 (a) (ii), 2 (c), 2 (d) or 2 (e). The limit of indemnity for any one occurrence shall not exceed the amount stated in the Excess and Limits Schedule.

3. **Unauthorised passenger liability extension (if stated in the schedule to be included)**

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. **Windscreen extension**

The provisions of this Section relating to first amount payable and no claim rebate shall not apply to any payment for damage to windscreen glass side or rear glass forming part of any vehicle provided that:

- a. no other damage has been caused to the vehicle giving rise to a claim under the Policy
- b. the Insured shall be responsible for the first amount payable stated in the schedule of each and every loss.

5. **Waiver of subrogation rights**

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

6. **Principals**

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

7. **Cross liabilities**

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

8. **Riot and strike extension (if stated in the schedule to be included)**

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

- a. civil commotion labour disturbances riot strike or lockout;
- b. the act of any lawfully established authority in controlling preventing suppressing or in any other way dealing with any occurrence referred to in (i) above provided that this extension does not cover:
 - i. loss or damage occurring in the republic of South Africa and Namibia;
 - ii. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
 - iii. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
 - iv. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority;
 - v. 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.

9. **Loss of keys extension**

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, and including upliftment costs following upon the disappearance of any key or alarm controller of such vehicle or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that:

- a. the Company's liability shall not exceed the amount stated in the Excess and Limits Schedule, in respect of any one event.

The provisions of this Section relating to first amount payable and No Claim Discount shall not apply to this extension.

10. **Fire extinguishing charges extension**

Any costs relating to the extinguishing or fighting of fire, including the recharging and/or replacing of any fire extinguishing appliances or devices, 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 fire.

11. **Wreckage removal extension**

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 limit stated in the Excess and Limit Schedule to apply to this extension.

This section is covered for the full amount if prior consent has been given by the company for the removal of debris and wreckage. If consent is not obtained cover will be limited to R10 000 per event and one event in a 12 month period.

12. **Credit shortfall extension**

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

- a. any arrears instalments or rentals including interest payable on such arrears
- b. all refunds of premium for cancellation of any insurance cover relating to the motor vehicle
- c. the increased instalments or rentals that 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:

- a. the amounts payable shall not exceed the maximum indemnity less the first amount payable under Sub-Section A
- b. this endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% from any other instalment
- c. 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.

13. **New for old extension**

If within twelve months of the date of purchase as new in the name of the Insured, an insured vehicle as described in Definitions 2(a) and 2(b) is:

- a. lost or stolen and not recovered or
- b. damaged so that the repairs will cost more than 70% of its list price (including tax) at the date the damage occurred

the Company will pay the current purchase price or the cost price to the Insured of such vehicle whichever is the lesser provided this does not exceed the limit of indemnity stated in the schedule.

14. Vehicle Hire following theft or accident extension

(applicable only to insured vehicles as described in definitions 2(a), 2(b) and 2(c) and insured comprehensively)

Following theft or accident of such motor vehicle the company will pay car hire charges not exceeding the amount stated on the schedule, excluding the cost of fuel or lubricants.

The period of hire shall commence not later than 21 days following the theft of the vehicle or accident and shall terminate on the day following repossession of the motor vehicle by the insured after the repairs necessary as a result of the theft or accident have been effected or the day following payment of the claim in respect of the motor vehicle, whichever is the soonest.

The maximum hire period in terms of this extension shall not exceed 30 days in total with a maximum amount per day as stated on the schedule.

Standard Car hire given is for a Group B vehicle unless otherwise stated in the schedule.

15. Parking facilities and movement of third party vehicles extension

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.

The Company's liability shall not exceed the amount stated in the Excess and Limits Schedule, in respect of any one event.

16. Repatriation clause

In respect of a claim occurring whilst the insured vehicle is being used in any country other than the Republic of South Africa, the cover does not include:

- a. parts stripped from the vehicle whilst left unguarded at the scene of an accident or whilst in transit back to the Republic of South Africa
- b. theft of spare parts and or any accessories on the vehicle
- c. any amount payable exceeding what is stated in the Excess and Limits Schedule for recovery costs (exceeding the first amount payable) under this Sub-Section
- d. Sub-Section B – liability to third parties.

If following an accident the Insured vehicle is not returned to the Republic of South Africa and it is declared a constructive total loss outside the Republic of South Africa:

- a. the Company will settle the claim for the estimated cost of repairs or the lesser of the reasonable retail value and the maximum indemnity less:
 - i. the first amount payable
 - ii. the value of the salvage calculated as if the vehicle has been recovered and returned to a major repair centre in the Republic of South Africa;
- b. on payment as set out in 1 (b) above the salvage shall belong to the Insured.

17. **Spare part clause**

In the event of any spare part and/or permanent fitting of whatsoever nature needed repair damage to replace such damaged article to the insured vehicle being unprocurable in the Republic of South Africa as a standard ready manufactured article the liability of the company shall be met by the payment of a sum equal to the value of the said article at the time of the accident or loss but not in any case exceeding the manufacturer's last list price operative in the Republic of South Africa

18. **Unspecified personal accident (if stated in the schedule to apply)**

If any passenger in the insured vehicle is injured or dies in a motor accident, the fault of the driver of the insured vehicle, the company will pay the percentage of compensation stated in the table below per insured event. The company will not pay more than the limit stated in the "UNSPECIFIED PERSONAL ACCIDENT" of the motor section of the policy in respect of any one person and no more than the limit stated on the schedule in respect of any one event irrespective of the number of passengers injured or killed.

In the event of Compensation being due under more than one of the benefits referred to hereunder as a consequence of any one accident to any one insured person the maximum amount payable hereunder shall not exceed 100% in total under Permanent Disability benefits.

The following percentages shall be payable in the event of Bodily injury resulting in:

Death	100%
Permanent Total Disability shall mean:	
a. loss by physical separation at or above the wrist or ankle of one or more limbs	100%
b. permanent and total loss of:	
whole eye	100%
sight of eye	100%
sight of eye except perception of light	75%
c. permanent and total loss of hearing:	
both ears	100%
one ear	25%
d. permanent and total loss of speech	100%
e. injury resulting in permanent and total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100%
f. loss of four fingers	70%
g. loss of thumb:	
both phalanges	25%
one phalanx	10%
h. loss of index finger:	
three phalanges	10%
two phalanges	8%
one phalanx	4%
i. loss of middle finger:	
three phalanges	6%
two phalanges	4%
one phalanx	2%

Permanent Total Disability shall mean:		
j.	loss of ring finger: three phalanges two phalanges one phalanx	5% 4% 2%
k.	loss of little finger: three phalanges two phalanges one phalanx	4% 3% 2%
l.	loss of metacarpals first or second (additional) third, fourth or fifth (additional)	3% 2%
m.	loss of toes all on one foot great, both phalanges great, one phalanx other than great, if more than one toe lost, each	30% 5% 2% 2%

For Permanent Disability not specified herein a percentage which in the opinion of the company is consistent with the above insofar as possible.

Specific exceptions to this extension

1. This extension does not apply to any person under 15 or over 70 years of age.
2. The company may insist that any injured person submit to a medical examination and undergo any treatment specified. We will not pay compensation for a death claim until we have received a post mortem report.
3. The company will not pay any compensation if the injury, death or disability is caused by:
 - a. an existing physical defect or other infirmity of such person.
 - b. the influence of alcohol or while the concentration of alcohol in your or the passenger's blood is over the statutory limit, or drugs or narcotics unless administered by a member of the medical profession (other than himself) or unless prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself).
4. The Company will not pay in respect of 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.

Memorandum

1. Premium adjustment clause

Fleet basis

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 70% of the annual rate per vehicle applied to the difference in the number of vehicles at inception or renewal and the number declared.

Pay per "K" basis

If this Section is issued on a basis that the premium is calculated on the annual average distance travelled of the vehicle/s specified in the schedule, the Insured shall submit to the Company at the end of each period of insurance a declaration of the total distance travelled in respect of each vehicle specified in the schedule. The Company shall upon receipt of this declaration make a premium adjustment based on the original rate per kilometre per vehicle specified and applied to the difference in the distance travelled as declared.

2. Description of use clause

Use for social domestic and pleasure purposes and use for the business or occupation of the Insured excluding hiring, carriage of passengers for hire or carriage of fare paying passengers (provided that this exclusion shall not apply to passengers being carried in an Insured's vehicle directly in connection with the Insured's business and including damage to such vehicle if so insured, but specifically excluding public taxi's) racing speed or other contests, rallies, trials, on airport premises except in the public parking or public drop off zone areas, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade. The indemnity to the insured in connection with any vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purpose of its overhaul upkeep or repair.

Optional limitations

Third party only limitation (if stated in the schedule to be applicable) Sub-Section A and C and the No-Claim Rebate provisions are cancelled.

Third party, fire and theft only limitation (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

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

- a. whilst the vehicle is being used otherwise than in accordance with the description of use clause
- b. incurred outside the Republic of South-Africa, Namibia, Botswana, Lesotho, Eswatini, Zimbabwe and Malawi but the insurers will indemnify the Insured against loss of or damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit
- c. incurred while any vehicle is being driven by:
 - i. the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) 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) or who is not licensed to drive such vehicle, but his 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.
 - iii. or who is under the control for the purposes of being driven by a person who does not hold a current valid Professional Driving Permit (PDP) to drive such a vehicle as required in terms of the National road Traffic Amendment Act of 1998 (as amended) – [Regulation 251 (1)].

This exception applies if the said person has held a PDP but has not renewed it and is applicable to all drivers of:

- goods vehicles with a GVM exceeding 3,500 kg
- breakdown vehicles
- buses
- mini-buses with a GVM exceeding 3,500 kg or with 12 or more seats (including the driver)
- motor vehicles conveying persons for reward
- motor vehicles conveying more than 12 persons

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 Specific Exception (b), 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 learner drivers.

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.**

Specific condition

1. **Driver's license**

If any driver's licence in favour of the Insured or their authorised driver is or has been endorsed, suspended or cancelled or if the Insured or their authorised driver shall be or have been charged or convicted of negligent, reckless, improper driving or driving under the influence of intoxicating liquor or drugs, notification shall be sent in writing to the Company.

2. **Electric/Hybrid Motor vehicles**

It is a requirement that the electric/hybrid motor vehicle be installed with a BMS (battery management system) and relevant safety measures to prevent or mitigate a fire. The battery management system must shut off the charging procedure when there is any risk of overloading or overcharging the battery. A warning signal is required when the battery is discharging to the extent that there is little life left in the battery in order to avoid full discharge which will result in the vehicle just stopping. Motor vehicle services must include the battery and conducted by an approved service provider, according to the manufacture's requirements. Evidence of such services will need to be submitted to the Company in the event of a claim should it be requested or required.

Any electric or hybrid vehicles or vehicles converted to electric need to have the correct and adequate fire extinguishing equipment always kept in the vehicle. Each Electric or Hybrid vehicle would require a lithium-ion battery fire extinguisher.

3. **Liquid petroleum gas conversion**

Any vehicle stated in the schedule converted to a bi fuel engine must comply with the following conditions:

- a. LPG system should be serviced every 20,000 – 25,000km or 6-8 month intervals to ensure that it is working effectively.
- b. Installation must be done by a professionally trained installer.

4. **Golf Carts**

The following conditions are applicable to any golf cart specified on the policy schedule:

- a. The golf cart must be secured and locked to a fixed structure when not in use.
- b. Any electric battery operated golf cart must be supplied, fitted and serviced by an approved service provider, according to the manufacturers requirements. Evidence of such services will need to be submitted to the Company in the event of a claim should it be requested or required.
- c. Any electric battery operated golf cart must be stored where there is to be no storage of any other items in the battery charging area.
- d. The battery charging area must meet the following requirements:
 - i. is to be of brick wall construction or detached by a minimum of 15m from any other structure.
 - ii. Battery charging area to be covered by a smoke/fire detection system linked to the fire/emergency response system
 - iii. An electrical Certificate of compliance must to supplied to the Company prior to a claim for the installation of the wiring in the battery charging area.

- e. Any electric or hybrid golf carts converted to electric need to have the correct and adequate fire extinguishing equipment always kept in the golf cart. Each Electric or Hybrid golf cart would require a lithium-ion battery fire extinguisher.
- f. If 2 or more golf carts are specified on the policy schedule and are stored together – It is a requirement that any electric/hybrid golf cart be installed with a BMS (battery management system) and relevant safety measures to prevent or mitigate a fire. The battery management system must shut off the charging procedure when there is any risk of overloading or overcharging the battery.

Sub-Section A Loss or damage

Defined events

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

1. at work or at rest anywhere within that part of the building occupied by the insured at the insured premises described in the schedule.
2. in transit including loading and unloading or whilst temporarily stored at any premises en route.
3. 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 to Sub-Section A

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

1. the first amount payable as stated in the Excess and Limits Schedule in respect of Sub-Section A, of each and every occurrence giving rise to a claim. Where more than one item of property insured suffers from physical loss or damage in any one occurrence, the first amount payable shall be the highest single amount applicable to such property insured;
2. derangement unless accompanied by physical damage otherwise covered by this Section;
3. loss or damage recoverable in terms of any maintenance and/or leasing agreement affected by or on behalf of the Insured covering the insured equipment;
4. faults or defects known to the Insured (or their responsible employees) at the time this insurance was arranged or during the currency of the insurance and not disclosed to the Company or any consequences thereof;
5. wastage of material or the like or wearing out of any part of the property insured caused by or naturally resulting from ordinary usage or working or other gradual deterioration, development of poor contacts or scratching of painted or polished surfaces of a cosmetic nature;
6. parts having a short life such as (but not limited to) bulbs, valves, contracts, 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 to or exit (or any attempt thereat) from that part of the building occupied by the Insured at the insured premises described in the schedule or as a result of theft or any attempt thereat, following violence or threat of violence. This exception does not apply to portable electronic devices, laptops, ipads, ipods, tablets and cellular phones specified on the schedule.

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.
10. termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light;
11. loss or disappearance of the insured property from any motor vehicle, caravan, trailer or watercraft when left unattended unless such loss or disappearance follows upon forcible and violent entry or exit from the said motor vehicle, caravan, trailer or watercraft. In the case of motor vehicles, property not contained in a locked boot or concealed in a compartment forming part of the locked vehicle is restricted to a maximum amount of R5,000 any one claim, but excluding electronic devices, laptops, iPods, iPads, tablets and cellular phones which should be contained in a locked boot or concealed in a securely locked vehicle.

Should theft not be accompanied by forcible and violent entry or exit from such vehicle, we will pay provided that:

- a. the items should be individually listed on the schedule and cover is limited to 75% of the specified values, if any items are not individually specified, maximum cover for such items will be, limited to R5,000.
 - b. The insured will be responsible for a first amount payable of 10% of claim subject to a minimum of R500.
 - c. The Company's total liability under this extension shall not exceed R10,000 for items which are individually listed in the schedule.
12. Loss or damage to equipment of whatsoever nature arising directly or indirectly out of or in connection with nationalisation, confiscation or abandonment.
 13. Loss or damage to experimental or prototype equipment or any consequential loss or damage.
 14. Loss or damage to insured property caused by or arising from non-compliance by the insured with the general upkeep and maintenance requirements specified by the manufacturer or supplier for that item.

The onus will be on the insured to record and provide details of all servicing, maintenance and repairs done to the insured property at the request of the Company's representative at any reasonable time.

15. Loss or damage to equipment of whatsoever nature arising directly or indirectly out of or in connection with aircraft engines and space risks such as satellites, spacecraft, launch vehicles and major components thereof.
16. Performance guarantees, penalty clauses and liquidated or punitive damages of whatsoever nature.

Basis of indemnification

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

1. Partial loss

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

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

2. Total loss

- a. In cases where the new property insured is totally lost or destroyed, the basis of indemnification shall be the cost of replacing or reinstating on the same site new property of equal performance and/or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or damaged provided always that:
 - 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:
 - 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 reinstate the property insured
 - the Insured is 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 a Company, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of period being admitted by memorandum to this Policy.

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

3. **Definition of new property insured**

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

4. **Definition of market value**

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

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

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

5. **Average**

In respect of (1) and (2) above if at the time of repair, replacement or reinstatement the sum representing the cost which would have been incurred in repair, replacement or reinstatement if the whole of the property insured had been 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 his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Each item of this Section (if more than one) to which these conditions apply shall be separately subject to this provisions.

Limit of liability

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

1. **Architects' and other professional fees**

Professional fees necessarily and reasonably incurred in the repair or reinstatement of property following indemnifiable loss or damage provided that the total amount payable in respect of such fees does not exceed 15% of the total amount of the claim but shall not include expenses incurred in connection with the preparation of the Insured's claim.

2. **Clearance costs**

Costs necessarily and reasonable incurred by the Insured in respect of demolition or dismantling of property and/or removal of debris and in providing, erecting and maintaining hoardings and other similar structures required during demolition, dismantling, debris removal and reconstruction following indemnifiable loss of or damage to such property, provided that the total amount recoverable does not exceed 15% of the total amount of the claim.

3. **Express delivery and overtime**

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

Extensions and clauses

1. **Fire brigade charges**

If any public authority empowered to do so shall charge the Insured with any costs arising from their activities in dealing with the consequences of an insured peril having operated, such costs will be deemed to be damage to the property insured and will be payable in addition to any other payment for which the Company may be liable in terms of this insurance.

2. **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 his knowledge and pays on demand the appropriate additional premium.

3. **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 of the Policy.

4. **Power Surge**

The insurance granted by this Section will indemnify the Insured in respect of damage to items insured as a result of fluctuations in the power supply resulting in surges provided that the maximum amount stated in the Excess and Limits Schedule.

Sub-Section B: Consequential loss

Defined events

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

1. **Increased cost of working**

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured during the indemnity period in consequence of the 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 the 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 of the Policy
- b. the intrinsic value (including reinstatement value) of the property insured by Sub-Section A of this Section.

The limit of indemnity in respect of each and every claim is R10,000 per event.

2. **Reinstatement of data/programs**

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 is lost as a result of accidental erasure (which shall include the events defined in the indemnity clause to Sub-Section A of this Policy) or by theft or by the deliberate wilful or wanton intention of causing the cancellation or corruption of data or programs as provided for in Sub-Section A of this Policy provided always that:

- a. the indemnity shall not extend to nor include such costs incurred due to program errors, incorrect entry or the inadvertent cancellation or corruption of data and/or
- b. in respect of each and every occurrence or series of occurrences arising out of or in connection with any one event indemnifiable by this item, the Insured shall bear the amount stated in the Excess and Limits Schedule
- 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.

The limit of indemnity in respect of each and every claim is R10,000 per event.

Definitions

1. **Indemnity period**

The period during which the results of the business shall be affected in consequence of the accident beginning the number of hours/days detailed in the schedule as the time exclusion 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 exclusion shall not apply to loss or damage directly caused by fire, storm (excluding lightning), subsidence, wind or the collapse of buildings.

2. **Accident**

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

Special conditions applicable to failure of the public supply of electricity

1. The liability of the Company shall not exceed the sum insured by this Sub-Section.
2. The indemnity period shall commence 12 hours after the failure and end not later than 30 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 payments by the Company of any sum or sums in discharge of the Company's liability in terms of this Sub-Section of this Policy, 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 to Sub-Section B

Unless specifically provided for:

1. **Fines and damages**

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

2. **Loss of profit**

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

Extensions and clauses

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. addition, alteration or improvements being effected to the property insured on the occasion of this repair,

the Company's liability under his 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 hours after the failure and end not later than 30 days after such failure.
- c. The insurance provided does not cover loss occasioned by the deliberate act of any Telkom authority or by the exercise of such Telkom authority of its power to withhold or restrict access to its lines.

General memoranda

Memo 1 – Capital additions and currency fluctuations

The indemnity by this section shall include:

1. 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 or mechanical breakdown or explosion, the insurance shall only commence after satisfactory completion of installation or commissioning/testing and put into use at the Insured's premises
2. provision for devaluation or revaluation of the currency of the Republic of South Africa against that of the country of origin of the property insured and other inflationary trends, which may result in the escalation of the sum insured (representing the installed new replacement value) of the property insured

provided that the increase shall not exceed, by more than 25% the total sum insured for Sub-Section A specified in the schedule, it being agreed that the Insured will advise the Company of such alterations at the expiry of the period of insurance and pay the appropriate premium thereon but not exceeding 50% of the difference.

Memo 2 – Prevention of access

If, during the indemnity period, the business at the premises be interrupted or interfered with in consequence of the Insured being prevented from having access to the property insured situated at the premises caused by damage to property within a 10 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:

1. the Insured is not entitled to indemnity as provided for in this extension under any other policy or Section of this Policy;
2. this Section shall not be brought into contribution with any other Policy or Section of this Policy bearing a like extension;
3. the Liability of the company shall not exceed R50,000 in respect of any one occurrence.

Memo 3 – Territorial limits

The Territorial Limits in respect of laptops, note books, palm top computers as well as all other portable computer equipment temporarily located outside the premises specified in this Policy shall be deemed to be worldwide.

Special exception (Sub-Sections A & B)

Viruses, Trojans and worms

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

General extension

Incompatibility cover

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

1. modifications or alterations to the property insured directly consequent upon indemnifiable loss or damage to ensure the operating integrity of the electronic system
2. replacement or upgrading of legal programs to achieve compatibility with the modified or altered electronic system
3. 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:

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

Special conditions

1. Voidability

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

2. **Lightning & surge protection (if stated in the schedule to apply)**

Cover provided by this section is strictly subject to the installation of power surge protection equipment in accordance with SANS 0142 Code of Practice. Furthermore, it is a condition precedent to liability that any Local Area Computer Network, networked P.O.S systems or AV installations have specifically installed uninterrupted power supply (UPS) equipment having its own surge protection and that such surge protection equipment is installed in accordance with SANS standards.

3. **Electronic equipment storm, flood or water damage**

Cover provided by this section in respect of storm, flood or water damage, is strictly subject to electronic equipment being placed on pallets, shelving or other structures a minimum of 100mm off the ground.

Notwithstanding the excesses reflected above, it is hereby noted that, should the insured be able to prove to the Insurer's satisfaction that electronic equipment is a minimum of 100mm off the ground at the time of the damage the excess will not apply in respect of the electronic equipment items.

Machinery breakdown and interruption following section

Sub-Section A : Machinery breakdown

Defined events

The insurance is in respect of unforeseen and sudden physical damage to the Machinery described in the schedule from any cause not hereinafter excepted:

1. whilst it is at work or at rest;
2. whilst being dismantled for the purpose of cleaning, inspection and overhaul or removal to another position or in course of these operations themselves or subsequent re-erection;

within the premises stated in the schedule.

Exceptions

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

1. the first amount payable as stated in the Excess and Limits Schedule;
2. damage due to fire, direct lightning, power surge, explosion, extinguishing of a fire or subsequent demolition, impact by animals or road vehicles, aircraft or other aerial devices or articles dropped therefrom, sonic shock waves, thefts or attempts thereat, collapse of buildings, storm, flood, inundation escape of water from water-containing apparatus, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes;
3. damage due to the imposition of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments;
4. damage for which a supplier contractor or repairer is legally responsible by contract or otherwise. If such responsibility is denied and the loss is otherwise insured by this Policy the Company will pay for the loss and in accordance with General Condition 7(b) will be entitled to indemnity subsequently obtained from the supplier, contractor or repairer;
5. damage due to faults or defects known to the Insured or any of his responsible employees at the time the contract was arranged and not disclosed to the Company;
6. damage to:
 - a. foundations and masonry unless specifically included in and described in the schedule or to Machinery;
 - b. exchangeable and replaceable parts such as bits, drills, knives, saw blades;
 - c. dies, moulds, patterns, blocks, stamps, punches, coatings or engravings on cylinders and rolls;
 - d. parts which by their use and/or nature suffer a high rate of wear or depreciation such as crushing, hammering or grinding surfaces, wear plates, screens and sieves, flexible pipes, joining and packing materials, filter cloths, wheels, ropes, belts, straps, elevator and conveyor belts or bands, cables other than electrical conductors, brushes, batteries, tyres, refractory materials, fire bars, burner jets;
 - e. operating materials such as fuels, chemicals, filter substances, heat transfer media, cleansing agents, lubricants, oils, catalysts;
7. repair or replacement necessitated by wear, corrosion, erosion, deposits of scale, sludge or other sediment or any other direct consequences of progressive or continuous influence from working or atmospheric or chemical action, rust or scratching of painted or polished surfaces;
8. damage to materials in course of process unless specifically included;
9. consequential loss or liability except as otherwise proved.

Sum insured

It is a requirement of this insurance that the sum insured shall be equal to the cost of replacement of the insured Machinery by new machinery of the same kind and same capacity, which shall mean its replacement costs including, e.g. freight, dues and customs duties, if any, and erection costs.

If the sum insured is less than the amount required to be insured, the Company will pay only in such proportion as the sum insured bears to the amount required to be insured. Every item, if more than one, shall be subject to this condition separately.

Basis of loss settlement

1. In cases where damage to an insured item can be repaired – the Company will pay expenses necessarily incurred to restore the damaged machine to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repair shop, customs duties and dues, if any, to the extent such expenses have been included in the sum insured. If the repairs are executed at a workshop owned by the Insured, the Company will pay the cost of materials and wages incurred for the purpose of the repairs plus a reasonable percentage to cover overhead charges.
2. No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage will be taken into account.
3. If the cost of repairs as detailed herein above equals or exceeds the actual value of the Machinery Insured immediately before the occurrence of the damage, the settlement shall be made on the basis provided for in (d) below.
4. In cases where an insured item is destroyed the Company will pay the actual value of the item immediately before the occurrence of the loss, including costs for ordinary freight, erection and customs duties, if any, provided such expenses have been included in the sum insured, such actual value to be calculated by deducting proper depreciation from the replacement value of the item. The Company will also pay any normal charges for the dismantling of the machinery destroyed, but the salvage will be taken into account.

Any extra charges incurred for overtime, night-work on public holidays, express freight, are covered by this insurance only if specifically agreed in writing.

The cost of any alteration, additions, improvements or overhauls shall not be recoverable under this Policy.

The costs of any provisional repairs will be borne by the Company if such repairs constitute part of the final repairs, and do not increase the total repair expenses.

The Company will make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be.

The Company may at its option repair, reinstate or replace any item lost or damaged or pay the amount of the loss or damage in money.

The amount of liability shall not exceed in respect of each or any of the items specified in the schedule the sum set opposite thereto respectively.

Sub-Section B (Interruption following Sub-Section A) (if stated in the schedule to apply)

If during the period of insurance covered by this Section or any renewal thereof any Machinery as described in Sub-Section A and used by the Insured at the premises for the purpose of the Business be affected by Accident (as hereinafter defined) and the business carried on by the Insured at the premises be in consequence thereof interrupted or interfered with.

The Company will indemnify the Insured subject to the Terms Exceptions and Conditions contained herein for the amount of loss resulting from such interruption or interference in accordance with the provisions contained in the specification hereto.

Definitions

Accident – Unforeseen and sudden physical damage to the Machinery described in the Machinery Breakdown Schedule of this Section from any cause as provided under the Machinery Breakdown Section of this Policy (covering the item against damage) liability under which Section shall except for the provision of the condition relating to the first amount payable be a condition precedent to liability hereunder.

Item 1 gross profit (difference basis)

The insurance under this item is limited to loss of gross profit due to:

1. reduction in turnover; and
2. 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 Accident 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 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 such of the charges and expenses of the Business payable out of gross profit as may cease or be reduced in consequence of the Accident 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 exceeds 12 months.

Item 1 gross profit (additions basis)

The insurance under this item is limited to loss of gross profit due to:

1. reduction in turnover; and
2. 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 Accident fall short of the standard turnover;
- b. in respect of increase of 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 such of the insured standing charges as may cease or be reduced in consequence of the Accident provided that the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 months or less or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 months.

Memoranda

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 standing charges.

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.

Gross profit (difference basis)

The amount by which:

1. the sum of the turnover and the amount of the closing stock shall exceed;
2. the sum of the amount of the opening stock and the amount of the uninsured costs.

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

Uninsured costs

As specified in the schedule, (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

As specified in the schedule 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 Accident or which would have affected the business had the Accident not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonable practicable the results which, but for the Accident, would have been obtained during the relative period after the Accident.

Standard turnover

The turnover during the period in the 12 months immediately before the date of the Accident which corresponds with the indemnity period.

Annual turnover

The turnover during the 12 months immediately before the date of the Accident.

Note: If the Accident 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 Accident.

Rate of gross profit

The rate of gross profit earned on the turnover during the financial year immediately before the date of the Accident.

Indemnity period

The period during which the results of the Business shall be affected in consequence of the Accident beginning the number of hours/days shown in the schedule after the occurrence of the Accident and ending not later than the expiry of the period shown in the schedule after such occurrence.

Specific conditions

1. The insurance under this Section shall cease if the Business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the Company.

2. On the happening of any Damage in consequence of which a claim may be made under his Section the Insured shall, in addition to complying with general Conditions 6 and 7, with due diligence do and concur in doing and permit to be done all things which may be reasonable practicable to minimise or check any interruption of or interference with the Business or to avoid or diminish the loss and in the event of a claim being made under this Section shall, not later than 30 days after the expiry of the indemnity period, or within such further time as the Company may in writing allow, at their own expense deliver to the Company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. No claim under this Section shall be payable unless the terms of this specific condition have been complied with and in the event of non-compliance therewith in any respect any payment on account of the claim already made shall be repaid to the Company forthwith.

Memoranda

Memo 1 – Sales and services

If during the indemnity period goods shall be sold or service shall be rendered elsewhere than at the premises for the benefit of the Business either by the Insured or by any other person on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover during the indemnity period.

Memo 2 – Premium rebate

In the event of the Gross Profit earned during the accounting period of 12 months most nearly concurrent with any period of insurance as certified by the Insured's Professional Accountants being less than the sum insured thereon a pro rata return of premium not exceeding 50% of the premium paid on such sum insured for such period of insurance will be made in respect of the difference. Where the indemnity period exceeds 12 months the amount of Gross Profit shall for the purpose of this calculation be adjusted in the proportion which the indemnity period bears to 12 months.

Memo 3 – Additions, alterations and improvements

The Company shall not be liable in respect of any part of an interruption or interference due to additions, alterations or improvements being effected to the damaged item on the occasion of its repair. The indemnity period shall be exclusive of any time deducted by virtue of this clause.

Memo 4 – Professional accounts report

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 Condition 6 of this Policy for the purpose of investigating or verifying any claim hereunder may be produced by Professional Accountants if at the time they are regularly acting as such for the Insured and their report shall be prima facie evidence of the particulars and details to which such report relates.

Memo 5 – Payments on account

In the event of loss as insured by this Policy payments on account will be made to the Insured with the consent of the Company during the indemnity period if desired.

Memo 6 – Accumulation of stocks

In adjusting any loss account shall be taken and an equitable allowance made if any shortage in turnover due to the Accident is postponed by reason of turnover being temporarily maintained from accumulated stocks of finished goods in warehouses or depots during the period of indemnity. Any additional expenditure incurred in replacing such stocks shall be deemed to be increase in cost of working as defined in the Policy subject always to the limitations of such definition.

Memo 7 – Standby machinery

Warranted by the Insured that any item of Plant or Machinery insured by this Policy against which the word "Standby" appears in the Schedule shall be maintained as standby available for immediate use in the event of the failure of the plant or machinery to which it is standby.

Memo 8 – Departments clause

If the Business be conducted in Departments the independent trading results of which are ascertainable the provisions of clause (a) and (b) of Item No. 1 shall apply separately to each Department affected by the Accident except that if the sum insured by the said item be less than the aggregate of the sums produced by applying the rate of Gross Profit for each Department of the Business (whether affected by the Accident or not) to the relative annual turnover thereof the amount payable shall be proportionately reduced.

Memo 9 – Reinstatement of loss

The sum insured will not be reduced by the amount of any loss but the Insured will pay an additional premium on the amount of such loss pro rata from the date of the Accident to the period of insurance.

Extensions**“Hire Costs” extension**

The policy is extended in respect of Hiring Costs incurred by the Insured during the Period of Indemnity specified in the Schedule for the hire of similar substitute plant and equipment of equal performance and capacity consequent upon indemnifiable damage occurring to the Insured Property listed on the schedule to a limit of R5,000.

Deterioration of stock section

Defined events

The insurance is in respect of deterioration of the goods described in the schedule from any cause not hereinafter excepted within the refrigeration chamber(s) at the Insured's premises resulting from:

1. unforeseen and sudden physical damage to the machinery specified from any cause as provided under the Machinery Breakdown Section of this Policy (covering the item against damage) liability under which Section shall except for the provision of the condition relating to the first amount payable be a condition precedent to liability hereunder.
2. contamination by refrigerant as a result of physical damage to the refrigeration installation.
3. accidental failure of the public supply of electricity as the result of a Defined Event (at the terminal ends of the supply authorities service feeders at the premises) not occasioned by the deliberate act of any supply authority, by the exercise of any such authority of its power to withhold or restrict supply, nor by a scheme of rationing or drought, or as a result of the Insured having not paid the said authority.

Exceptions

1. The amount specified in the schedule as the first amount payable
2. Any loss arising as a result of shrinkage, inherent defects or diseases, natural deterioration or natural putrefaction of the stored goods
3. Any loss arising from improper storage, damage to packing material, insufficient circulation of air or non-uniformity of temperature
4. Any loss caused by temporary repair of the refrigeration machinery specified in the list of machinery which is carried out without the Company's consent
5. Penalties for delay, consequential loss or damage or liability of any nature whatsoever.

Sum insured

1. It is a requirement of this insurance that the sum insured shall be equal to the estimated maximum cost price payable for the stored goods during any period of insurance
2. If the sum insured is less than the amount required to be insured, the Company will pay only in such proportion as the sum insured bears to the amount required to be insured. Every item if more than one shall be subject to this condition separately.

Basis of loss settlement

The Company will indemnify the Insured in respect of such deterioration as hereinafter provided up to an amount not exceeding in any one (annual) period of insurance in respect of each of the items specified in the schedule the sum set opposite thereto and not exceeding in all the total sum expressed in the schedule as insured hereby, provided always that said goods belong to the Insured at the time of the loss and such goods are contained in the refrigeration chamber(s) connected to said machinery.

Specified conditions

1. The Insured shall obtain and produce the appropriate certificates from Public Health or similar authorities in support of any claim for deteriorated goods
2. The sum insured shall be reduced by any indemnity paid under this Section for the remaining Policy period unless it has been reinstated by payment of an additional premium on a pro rata basis
3. It is a requirement of this insurance that:
 - a. a firm arrangement is made for competent specialists to maintain and adjust the machinery at regular intervals or
 - b. it is maintained by the Insured's own maintenance personnel

and written records of inspections and repairs be kept and made available to the Company on request.

4. It is hereby noted that cover provided by this section specifically excludes damage caused by or arising from, whether directly or indirectly, the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply, including if such deliberate act or exercise by any supply authority is as a direct result of there being a shortage of supply or availability of water, gas and/or electricity, unless such withholding or restriction is directly attributable to damage, but specifically excluding damage arising out of wear and tear or a failure to maintain the generating distribution or supply equipment, to property of such authority or as a result of the insured having not paid the said authority.

Specific definitions

1. Vessel means the vessel named in the schedule comprising the hull, superstructure, fittings, electrical machinery, engines, inboard motors, dinghies, gear and equipment (not electronic equipment) such as would normally be sold with the vessel as one unit.

Outboard motors, tenders, launching dollies/trolleys and trailers and any radios, echo-sounders and similar type navigation and/or navigational and/or electronic equipment, any covers and safety equipment are not included unless separately declared and valued in the schedule or by endorsement.

2. Complete vessel means the hull, superstructure, fittings, machinery, engines, motors, dinghy, gear and any radar and equipment as would normally be sold as one unit.
3. Insureds' premises means from where the business is being conducted including all land and water within its boundaries.
4. Replacement value of the vessel means the:
 5. new replacement cost where the vessel is less than 4 years in age.
 6. reasonable market value where the vessel is older than 4 years.
7. In commission means the period when the vessel is available for immediate use.
8. Semi-rigid vessel means a vessel using pontoons, made of rubber or other material, which are inflated under pressure with a rigid hull.

Sub-section 1 – Loss of or damage to the vessel Indemnity to the insured

1. The company will by payment or at its choice by repair or replacement indemnify the insured in respect of damage caused by a defined event. Repair or replacement shall be as close to the original specification as possible but the company shall not be expected to achieve an exact restoration.
2. The company's maximum liability is the sum insured stated in the schedule or the replacement value of the vessel at the time of such loss or damage, whichever is the lower.
3. If the sum insured on the vessel is less than her replacement value at the time of damage the insured will be considered as being their own insurer for the difference and will bear a rateable proportion of the loss.

Defined events

Damage to the vessel caused by external accidental means, including:

1. perils of the seas, rivers, lakes or other navigable waters.
2. fire.
3. jettison.
4. piracy.
5. collision with dock or harbour equipment or installation, land conveyance, aircraft and other aerial devices or articles dropped from them.
6. earthquake.
7. lightning.
8. accidents in loading discharging or moving stores, gear, equipment or machinery.
9. explosion.
10. theft of:
 - a. the vessel.
 - b. the outboard motor provided it is securely locked to the vessel by an anti-theft device in addition to its normal method of attachment.
 - c. machinery including outboard motors gear or equipment following upon forcible and violent entry into or exit from the vessel or place of storage or repair.
 - d. the trailer whilst parked without the vessel.

11. loss of or damage to the vessel excluding electrical equipment, batteries and connections, motors and connections (but not strut shaft or propeller), caused by:
 - a. latent defects in hull or machinery.
 - b. breakage of shafts or bursting of boilers (excluding the cost and expense of replacing or repairing the broken shaft or boiler).
 - c. the negligence of any person whatsoever but excluding the cost of repairing any defect resulting from either negligence or breach of contract in respect of any repair or alteration work.
12. the cost of sighting the bottom after a grounding if reasonably incurred for that purpose even if no damage be found.
13. loss of or damage to personal effects in the event of the vessel being stranded, sunk, burned or in a collision.

Specific exceptions to sub-section 1

The company will not be liable for:

1. theft of the complete vessel whilst left unattended at any time unless the vessel is:
 - a. within the walled and securely locked confines of the insureds' premises, or at a recognised place of repair or service, and theft is accompanied by visible forcible and violent entry or exit, unless the company has agreed in writing to the contrary.
 - b. at a recognised marina.
2. any costs and expenses incurred as a result of:
 - a. wear and tear.
 - b. depreciation.
 - c. deterioration from use.
 - d. electrical or mechanical or electronic breakdown which shall include breakdown caused by the intake of foreign matter into the cooling system.
 - e. loss of use of any description.
3. loss of or damage to sails or protective covers split by the wind or blown away while set unless caused by damage to the spars or by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water.
4. sails, masts, spars, standing or running rigging whilst the vessel is racing unless caused by the vessel being stranded, sunk, burnt, on fire or in collision or contact with any external substance (ice included) other than water.
5. the cost of replacing or repairing any part condemned solely because of a fault in design or construction or any cost or expense incurred by reason of betterment or alteration in design or construction.
6. damage to:
 - a. personal effects, consumable stores, fishing gear, scuba and/or diving gear;
 - b. moorings;
 - c. any other equipment not specified in the schedule.
7. theft of the complete vessel from a boat dealer's premises if left there for sale.
8. the vessel's dinghy not permanently marked with the name of the vessel.
9. damage caused:
 - a. by the vessel being stranded, sunk, swamped, immersed or breaking adrift while left moored or anchored unattended off an exposed beach or shore or river bank.
 - b. while the vessel is being used otherwise than in accordance with the description of use.
10. water-skis, ropes and all similar sporting equipment whilst being used or left unattended during use.
11. damage to outboard motors caused by dropping off or falling overboard unless the motors are bolted or chained to a permanent fixture in the hull.

Sub-section 2 – Liability

The company will indemnify the insured:

1. for any damages including costs and expenses that the insured become legally liable to pay arising from the use of the vessel in respect of:
 - a. injury.
 - b. damage.
 - c. the cost of any actual or attempted raising removal or destruction of the wreck of the craft or any neglect or failure to do so.
2. for any legal costs incurred with its written consent for representation at any coroner's inquest or fatal accident enquiry or for contesting liability or taking proceedings.
3. for all accidental damage caused by any person (other than a person operating or employed by the operator of a shipyard, marina, repair yard, slip way, yacht club, sales agency or similar organisation) navigating or in charge of the vessel with the insureds' permission provided that:
 - a. indemnity will not apply to claims by any employee of the insured.
 - b. such person is not entitled to indemnity under any other policy.
 - c. such person will observe fulfil and be subject to the terms conditions and exceptions of this policy in the insureds' place.

Specific exceptions to Sub-section 2

The company will not indemnify the insured in respect of:

1. injury to:
 - a. any person in the insureds' employ arising from that employment.
 - b. any person who is engaged in water-skiing aquaplaning or another sport or activity while being towed by the vessel or preparing to be towed or after being towed until safely on board or ashore.
2. any liability, cost or expense arising in respect of punitive or exemplary damages however caused.
3. any liability, cost or expense arising out of seepage or pollution unless such seepage or pollution is sudden and unforeseen.

Sub-section 3 – General

Description of use

Vessels used for the private and business activities including carriage of fare paying passengers.

Limits of indemnity

The limits of indemnity stated below apply independently of any amount stated in the schedule and must be read in conjunction with the relevant clauses in this section.

Sub-section 2 – Liability

Unless otherwise stated, the liability of the company under this sub-section in respect of any one occurrence on all vessels shall not exceed the amount stated in the Excess and Limits Schedule.

Sub-section 3 – General

First amounts payable

The insured will be responsible for the amounts as stated in this table in respect of each and every claim arising out of any one occurrence or series of occurrences with one original cause or source during any one period of insurance. This table must be read in conjunction with the relevant clauses in this section.

1. Basic stated in the Excess and Limits Schedule
2. Additional
 - a. Use of the vessel on the sea stated in the Excess and Limits Schedule
 - b. Voluntary per schedule
3. Optional extensions
 - a. Submerged objects cover stated in the Excess and Limits Schedule.

Cruising range

1. Inland waters only situated anywhere within the Republic of South Africa (including Durban harbour and Knysna lagoon), Namibia and Zimbabwe.
2. As above, including coastal waters subject to a maximum of 80 kilometres from the coastline.

Clauses

1. Replacement of gear and equipment

The company may make deductions on account of new material replacing old following loss of or damage to sails, masts, spars, standing and running rigging, protective covers, batteries and outboard motors.

No settlement will however exceed the values declared in the schedule.

2. Pollution

Where the vessel is damaged by a defined event and subsequently becomes a pollution hazard or threat of a pollution hazard, the company will pay for any loss or damage to the vessel caused by any government authority acting to prevent or minimise such pollution hazard or threat thereof.

3. Medical emergency treatment costs

If the insured sustains injury as a result of the vessel sinking or being in a collision with any external object other than water the company will pay the medical expenses in connection with such injury in respect of each person injured to the value of (or "a lump sum of") R3,000 per person, but not exceeding R25,000 in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

4. Duties as owner

The insured, the insureds' servants, the insureds' agents and all users of the vessel will:

- a. take all reasonable steps to maintain the vessel, outboard motors, trailers and other insured property in a proper state of repair, seaworthiness and roadworthiness.
- b. exercise all due care and diligence in the crewing of the vessel.
- c. do everything reasonably possible to minimise or avert loss or damage. The company will pay for all charges and expenses reasonably and necessarily incurred by the insured in complying with this clause, provided this does not increase its maximum liability.

5. Surveys

When the age of the vessel exceeds 10 years the company will require to see a copy of an up-to-date independent professional survey report. The survey will be undertaken while the vessel is out of the water and at the insureds' own expense. The company may request subsequent survey reports at its discretion.

6. Launching through surf

When the vessel is being launched through the surf it will be fitted with at least two motors in workable and readily usable condition.

7. **Breach of law and regulation**

The insured will not use the vessel, nor will the insured allow or cause it to be used, in contravention of any law or regulation promulgated by any authority, including but not limited to Department of Transport regulations in terms of the Merchant Shipping Act 1951 as amended, in so far as they relate to pleasurecraft.

8. **Repairs and tenders**

The company will have the right to nominate the place of repair or repairing firm and may also take tenders or may require tenders to be taken for the repair of the vessel. Any additional expenses arising from compliance with its requirements will be refunded to the insured.

9. **Constructive total loss**

In ascertaining whether the vessel is a constructive total loss the replacement value will be taken as the repaired value and the damage or break-up value of the vessel or wreck will not be taken into account. No claim for constructive total loss based on the costs of recovery and/or repair of the vessel will be recoverable unless such loss would exceed the replacement value.

10. **Unrepaired damage**

In no case will the company be liable for unrepaired damage along with a subsequent total loss.

Optional extensions

1. **Road or rail transit**

Loss of or damage to the vessel including loading and unloading while being transported by road or rail within the territorial limits provided that the vessel is conveyed on a purpose-built, properly constructed roadworthy trailer and is adequately and properly secured to the trailer. The company will not pay for scratching, bruising and or denting and the cost of subsequent repairs or refinishing. This extension includes road accident damage to the trailer whilst being towed with or without the vessel.

2. **Racing risk (sailing vessel)**

The company will indemnify the insured in respect of loss of or damage to sails, masts, spars, standing and running rigging whilst racing; but its liability will be two-thirds of the costs of repair or replacement up to a maximum of two-thirds of the sum insured specified in the schedule.

3. **Submerged objects cover**

This section includes loss of or damage to rudder, propeller, strut, shaft, motor, electrical machinery or batteries and their connections caused by a collision with a submerged object.

The company will not indemnify the insured in respect of loss of or damage caused by:

- a. the vessel racing or participating in speed tests or any trials.
- b. the intake of foreign matter into the cooling system of the machinery, engines or motor.

Broadform liability section

Claims made

The Insured named in the Schedule having applied to the Insurers for the Insurance and in consideration of the payment of the Premium by the Insured or on their behalf and receipt thereof by the Insurers, and having agreed that any proposal or other information provided by the Insured or on their behalf shall form the basis of this contract of Insurance, the Insurers agree to indemnify the Insured in accordance with the terms, Exclusions and Conditions of this Policy as contained herein or endorsed hereon.

Operative clause

The Insurers will indemnify the Insured as more particularly described in each Section of the Policy, against their legal liability to pay damages and claimants' costs in connection therewith, in excess of the Deductible, for and/or arising out of the performance of the Business within the Territorial Limits and in accordance with the law and procedure applicable in the Republic of South Africa, but not in respect of any judgement, award, payment or settlement made within countries which operate under the laws of North America (or to any order made anywhere in the world to enforce such judgement, award, or settlement either in whole or in part).

This indemnity applies only to such liability as is set out in each insured Sub-Section of this Section arising in the ordinary course of being a food or leisure establishment and for the services, products and activities ordinarily offered by the type of business as described in the schedule of this policy but specifically excluding any services, products or activities not ordinarily offered by the type of business listed in the schedule unless disclosed to us and agreed to in writing by us.

The indemnity provided herein applies only to Claims first made against the Insured during the Period of Insurance arising out of the performance of the Business as stated in the Schedule.

Definitions

For the purpose of determining the indemnity granted by this Policy the following terms shall mean:

"Insured" shall mean the persons and/or organisation named in the Policy Schedule.

"Injury" shall mean death, bodily injury, illness or disease of or to any person.

"Damage" shall mean loss of possession or control of or actual damage to tangible property.

"Pollution" shall mean any pollution or contamination of the atmosphere or of any water, land or other tangible property.

"Deductible" shall mean the first amount stated as such in the Policy Schedule for which the Insurers are not liable to indemnify the Insured in respect of each Claim (or series of Claims arising out of one originating cause).

It is further understood and agreed that if any expenditure is incurred by the Insurers which, by virtue of the Deductible, is the responsibility of the Insured, then such expenditure shall be forthwith reimbursed by the Insured.

"Product" shall mean any tangible property after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired (including advice and/or information of a technical nature given gratuitous in promotion of such Product) by or on behalf of the Insured, but shall not include food or drink or toiletries and other requisites supplied by or on behalf of the Insured to guests of the establishment.

"Vehicle" shall mean a land vehicle (including any machinery or apparatus attached thereto) whether or not subject to motor vehicle registration and whether or not self-propelled, including railway locomotives and rolling stock.

"Documents" shall mean inter alia: bonds, debentures, title deeds, transfer deeds, powers of attorney, tender documents, scrip certificates, deposit receipts, transfers, coupons, warrants, bills of exchange, promissory notes, wills, agreements, plans, maps, records (whether on paper, microfilm, magnetic tape or disc), and written and printed documents and forms of any nature, but excluding stamps of any kind, bank or currency notes or other negotiable

instruments including cash, credit, charge or similar cards, belonging to the Insured or for which the Insured is responsible, in connection with the Business.

“Employee” shall mean:

1. any person employed under a contract of service or apprenticeship with the Insured;
2. any person engaged by or on behalf of the Insured to perform a contract constituting the provision of labour only, for the purpose of carrying out the day-to-day operations of the Business.

“North America” – the United States of America and Canada and any territory operating under the laws of the United States of America and Canada.

“Claim/s” shall mean an event or series of events or continuous or repeated exposure to the same or similar set of conditions which unexpectedly or unintentionally results in liability as insured in terms of this Policy.

All such exposure to substantially the same general conditions at or emanating from one premise or location shall be deemed one Claim.

“Professional Duties” shall mean advice given, services performed, and/or those duties of a professional nature undertaken by or on behalf of the Insured in the course of the Business as stated in the Schedule, provided that any income accrued there-from accrues to the Insured.

Defence costs

Subject always to Limit of Liability, the Insurers will pay all reasonable legal costs and expenses incurred by the Insured with Insurers’ prior consent:

1. in the investigation, defence or settlement of and/or
2. as a result of representation at any inquest, inquiry or other proceedings in respect of matters which have a direct relevance to any occurrence which forms or could form the subject of indemnity by this Policy(“Defence Costs”).

Legal defence costs

The insurers will indemnify any employee, partner, or director of the Insured against costs and expenses not exceeding the amount stated in the Excess and Limits Schedule incurred by or on behalf of such person with the consent of the insurers in the defence of any criminal action brought against such person in the course of his occupation with the insured arising from an alleged contravention of the statutes as herein defined during the period of insurance provided that:

1. in the case of an appeal, the insured shall not indemnify such person unless a senior counsel approved by the insurers shall advise that such appeal should, in his opinion, succeed;
2. the Insured shall not indemnify such person in respect of any fine or penalty by any magistrate or judge or any loss consequent thereon;
3. such person shall, as though he were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this policy and this section thereof in so far as they can apply.

The statutes

The Occupational Health and Safety Act No. 85 of 1993 (as amended), The Mines and Works Act No. 27 of 1956 (as amended)

The Electricity Regulation Act No. 4 of 2006 (as amended), and 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)

The Tobacco Products Control Act No. 53 of 2009 (as amended) The Immigration Act 13 of 2002

All as read in conjunction with the Criminal Procedure Act No. 51 of 1977 (as amended). The Consumer Protection Act No. 68 of 2008 (as amended).

Limits of indemnity

The Insurers' total liability to pay damages and claimants' costs and Defence Costs in connection therewith shall not exceed the Limit of Indemnity stated in the Excess and Limits Schedule for each Section in respect of any one Claim or all Claims arising from one original cause, and/or where so stated, in the aggregate, per Section during the Period of Insurance.

The Limits of Indemnity are in excess of the Deductible and/or any self-insured retention applicable per Section as stated in the Schedule.

Should any Limit of Indemnity be altered during the Period of Insurance, the original Limit of Indemnity shall apply to all Claims made or deemed to have been made or arising prior to the date of such alteration.

In the event of any one originating cause giving rise to a Claim or series of Claims which form the subject of indemnity by more than one Section of this Policy, each Section shall apply separately and be subject to its own separate Limit of Indemnity, provided always that the total amount of the Insurers' liability shall be limited to the greatest Limit of Indemnity availability under any one of the Sections affording indemnity for the Claim or series of Claims.

To the extent that the Insured is accountable to the tax authorities for Value Added Tax in respect of any payments in terms of this Policy, the Insurers will include the amount of such tax in the final settlement of any Claim under this Policy in addition to the Limits of Indemnity.

Indemnity to others

The indemnity granted extends to:

1. at the request of the insured, any party who enters into an agreement with the insured for any purpose of the business, but only to the extent required by such agreement to grant indemnity and subject always to Clauses 3c under Care, Custody & Control and 2 under Section exclusions.
2. officials of the Insured in their business capacity for their liability arising out of the performance of the business and/or in their private capacity arising out of their temporary engagement of the insured's employees.
3. at the request of the insured, any person or firm for their liability arising out of the performance of a contract to provide labour only services to the insured.
4. the officers, committee and members of the insured's canteen, social, sports, medical, firefighting and welfare organisations in their respective capacity as such.
5. the personal representatives of the estate of any person indemnified by reason of this Clause 4 in respect of liability incurred by such person.
6. liability assumed by the insured under a contract entered into with any security firm and arising out of any wilful or negligent acts or omissions of employees of the security firm whilst undertaking any duties in terms of the contract.
7. the Insured's Legal Liability arising from, a civil regulatory action, a civil penalty, or fines to the extent insurable by law, imposed by a governmental regulatory body against the Insured arising from a Security Breach, Privacy Breach or Breach of Privacy Regulations.

Wrongful arrest and defamation

The defined events are extended to include damages:

1. resulting from wrongful arrest (including assault in connection with such wrongful arrest).
2. in respect of defamation (including social media) provided always that the limit of liability shall not exceed the amount stated in the Excess and Limits Schedule per claim under each of 1 and 2.

Each person or party specified as an insured in the schedule is separately indemnified in respect of claims made against any of them by any other such person or party, subject to Insurers' total liability not exceeding the stated Limit of Liability.

Cross liability

Each legal entity indemnified is separately indemnified in respect of Claims made against any of them by any other, subject to the Insurers' total liability not exceeding the applicable Limits of Indemnity.

Manifestation clause

In the event of any Injury or Damage arising from continuous or continual inhalation, ingestion or application of any substance where the Insured and the Insurers cannot agree when the Injury or Damage occurred, then:

1. Injury shall be deemed to have occurred when the claimant first consulted a qualified Medical Practitioner in respect of such Injury, whether or not it was correctly diagnosed at the time.

If no such consultation took place, then Injury shall be deemed to have occurred when the Insured was first advised of the Injury.

2. Damage shall be deemed to have occurred when it first became evident to the claimant, even if the cause was unknown.

Acquisition of new business

Should the Insured acquire a new business with the same business description as noted in the schedule, then there is a grace period of 90 days in which to advise the Insurer of such acquisition. During the 90 day grace period a claim against the Insured will not be rejected solely because the new business is not noted on the schedule and the Insurer has not received additional premium in respect of the new business. Any additional premium due will have to be paid to the Insurer before any claim can be processed.

Sub-section A – Public liability

Indemnity

The Insured is indemnified by this Sub-Section in accordance with the Operative Clause for and/or arising out of injury and/or damage occurring during the period of insurance but not against liability arising directly or indirectly out of

1. pollution or
2. in connection with any Product other than food or drink or toiletries and other requisites supplied to guests of the establishment unless disclosed to us and agreed to in writing by us.

Extensions

This Section is extended to include the following, within the Limit of Liability stated in the schedule unless a separate limit is specified and subject to the terms, Conditions and Exclusions of this Section and of the policy as a whole insofar as they can apply.

1. **Medical malpractice (applicable to first aid treatment only)**

The insurers will indemnify the insured for injury caused by medical malpractice or by negligent act or omission in professional medical services rendered by the insured during the period of insurance in connection with the provision of first aid treatment but only insofar as such liability is not insured by any other malpractice insurance and provided that such liability does not arise out of any criminal act or any act committed while in violation of any law or ordinance or services rendered by any person who, to the Insured's knowledge, is under the influence of intoxicants or narcotics. The Company's limit of indemnity shall not exceed the amount stated in the Limits and Excess Schedule.

2. **Damage to public services**

The indemnity provided herein extends to indemnify the Insured against all sums for which the Insured shall become legally liable for reinstating or repairing accidental damage to underground water supply pipes, underground gas pipes, electricity cables and telephone connections between the Insured's premises and public supply or public mains.

3. **Spread of fire extension**

This section of the policy will indemnify the insured in respect of any claim for which the insured is legally liable arising from the provisions of the National Veld and Forest Fire Act 101 of 1998 for an amount not exceeding what is stated in the Excess and Limits Schedule unless stated to the contrary on the schedule.

PROVIDED that the insured shall:

- a. maintain a fire break around the perimeter of his/her property
- b. keep basic fire fighting equipment available and in proper working order at all times and have it regularly checked
- c. have the contact details of the local fire fighting unit prominently displayed at the establishment at all time
- d. ensure that staff and employees have basic training in fire safety
- e. ensure that staff and guests adhere strictly to fire safety rules
- f. advise the relevant authorities of his/her intention to burn fire breaks.

Additional excess stated in the Excess and Limits Schedule in respect of Spread of Fire.

4. Weddings extension

This section of the policy extends to cover the insured's liability arising from the organising and hosting of weddings and wedding receptions provided that such weddings and wedding receptions do not accommodate more than 150 people unless stated to the contrary on the schedule of the policy.

It is also understood that where the insured hosts such weddings and/or wedding receptions that these should be declared to the insurers as soon as possible but no later than the following policy anniversary date and the appropriate additional premium paid.

If the hosting and organising of weddings is not declared to the insurers on the anniversary date of the policy this extension shall no longer apply.

5. Crisis containment Operative clause

In respect of an Occurrence which may be subject to an indemnity under this policy in order to mitigate the loss the Insurer will agree to pay for reasonable and necessary crisis containment fees and costs incurred during the policy period. Crisis Containment fees and costs shall mean the fees of crisis consultants to be appointed with the Insurer's prior approval and additional communication costs including media announcements, media advertising and expenses and emergency response telephone lines during the containment period of up to 30 days following the initial crisis notification and the limit of liability shall not exceed the amount stated in the Excess and Limits Schedule per claim.

6. Trustees indemnity (if stated in the schedule to be included)

The defined events are extended to include damages which the Body Corporate and/or any Trustee(s) shall become legally liable to pay arising out of any wrongful act of a Trustee(s) provided that the Company's limit of liability including all costs and expenses shall not exceed the amount stated in the schedule any one event and in all any one (annual) period of insurance.

For the purpose of this insurance, a wrongful act shall be:

Any actual or alleged breach of trust, breach of duty, neglect, error, misstatement, misleading statement, omission or other act wrongfully committed or attempted by a trustee which arises solely by reason of his acting in his capacity as trustee of the Body Corporate:

The Company will not indemnify the insured in respect of:

- a. any liability for the payment of VAT.
- b. any remuneration or other monies to which the Body Corporate or Trustee(s) is/are legally entitled.
- c. any indemnity claimed or claimable in terms of any other insurance policy.
- d. any Trustee(s) committing any wrongful act(s) knowing such action(s) to be illegal, fraudulent or of malicious intent, but this exception shall not apply to any innocent party affected by such act(s)
- e. the amount of any first amount payable stated in the Excess and Limits Schedule.

7. Goodwill protection costs (if stated in the schedule to be included)

The defined events are extended to include costs and expenses reasonably incurred and with the consent of the Company in respect of defending or preventing legal action or threat of legal action and including publication costs incurred in protecting the brand or goodwill of the business brought against the Insured as a result of an occurrence in the course of or in connection with the business and on the premises stated in the schedule provided always that the limits of indemnity shall not exceed the amounts stated in the Excess and Limits Schedule.

8. EEC directive extension (if stated in the schedule to be included)

Notwithstanding exclusion 2 of this Section, the Insured will be indemnified in respect of all liability pursuant to the European Community Directive 90/314/EEC Article 5, the Package Travel Regulations 1992, and any subsequent legislation enacted with the European community provided that:

- a. the Company's limit of indemnity shall not exceed the amount stated in the schedule
- b. the Insured shall be responsible for the first amount payable as stated in the Excess and Limits Schedule.

9. Spa Treatments (if stated in the schedule to apply)

This policy excludes all liability arising from any treatment prescribed or administered by the Insured, other than:

- a. hair cutting, shampooing, drying, dyeing or tinting;
- b. face, scalp or body massage;
- c. shaving, plucking, electrolysis, epilation and wax steam treatments;
- d. manicure, pedicure and non-surgical podiatry procedures;
- e. ear piercing but only when surgical sleepers or studs are used;

Provided that the Insured, including their employees, have received accreditation or are trained for the form of treatment being administered and adhere to any requirements or precautions set out by the manufacturer of any product used.

10. Extended reporting option (if stated in the schedule to apply)

At the option of the insured and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this section, the company agrees to extend the period during which the insured may report an event in terms of general condition 6 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as extended reporting period) provided that:

- a. this option may only be exercised in the event of the company cancelling or refusing to renew this section.
- b. this option must be exercised by the insured in writing within 30 days of cancellation or non-renewal.
- c. once exercised, the option cannot be cancelled by either the insured or the company.
- d. the insured has not obtained insurance equal in scope and cover to this section as expiring.
- e. the company shall only be liable for a defined event which occurred after the retroactive date but prior to 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.

Exclusions to Sub-Section A

This Sub-section does not cover:

1. Motor vehicles

Liability arising directly or indirectly out of the ownership, possession or use of any motor vehicle or trailer by or on behalf of the Insured, other than liability which exceeds the limit of the underlying insurance and the underlying insurer has paid or has admitted liability or has been held liable to pay the full amount of such limit

which for the purposes of this Section is deemed to be a minimum of R2,500,000. In the event that no underlying motor insurance is purchased there shall be no cover hereunder. Provided always that no indemnity is granted against liability compulsorily insurable by legislation or for which the government or other authority has accepted responsibility.

2. Aircraft & watercraft

Liability arising directly or indirectly out of the ownership, possession or use by or on behalf of the insured of any aircraft, spacecraft, watercraft or hovercraft (other than watercraft not exceeding five metres in length and then only whilst on inland waterways).

3. Care, custody & control

Liability for Damage to property owned, leased or hired by or under hire purchase or on loan to the insured or otherwise in the insured's care, custody or control other than:

- a. premises or the contents thereof temporarily occupied by the Insured for work therein or thereon but no indemnity is granted for damage to that part of the property on which the Insured is working and which arises out of such work.
- b. clothing and personal effects belonging to employees, visitors and guests of the Insured excluding money and negotiable instruments.
- c. premises tenanted by the insured to the extent that the Insured would be held liable in the absence of any specific agreement.
- d. vehicles and their contents and accessories but limited to the amount stated in the Excess and Limits Schedule, belonging to employees, visitors and guests of the insured whilst using parking facilities provided by the Insured provided that where a garage and/or vehicle parking facilities are provided a suitably worded notice disclaiming liability for all loss or damage howsoever caused is conspicuously displayed in such garage and/or parking facilities

4. Other activities

Liability arising out of any activity and/or any adventure activity not ordinarily offered by the type of establishment as described in the schedule of this policy or arising out of any adventure activity not already contemplated in the specific exclusions:

- a. Liability arising out of any activities relating to horse riding unless stated otherwise in the schedule of the policy.
- b. Liability arising out of the use of watercraft on the sea. Where canoes/rowing boats or sailing boats are used on inland waters it is a condition precedent to liability that
 - i. the insured is to complete and carry out daily checks of the canoes/sailing boats.
 - ii. no rental to or use by intoxicated persons.
 - iii. children under 14 are not allowed on such watercraft without an accompanying adult.
 - iv. appropriate lifejackets to be worn by all persons on such watercraft.
- c. Liability arising out of the use by any person of a pedal cycle unless
 - i. a crash helmet is worn by the rider.
 - ii. daily checks of the pedal cycle are carried out by the Insured to ensure full working order.
- d. Liability arising out of any activity relating to scuba diving or any other "extreme sport" including but not limited to bungee jumping, parasailing or hang gliding.
- e. Player to player liability arising out of any sporting activity.
- f. Liability arising out of the use of any children's play area or trampoline unless stated otherwise in the schedule of the policy.
- g. Liability arising out of any hunting activity.
- h. Liability arising directly or indirectly out of any Injury and/or Damage involving Lion, Cheetah, Hippo, Buffalo or Elephant and Rhino.

i. **Sauna Activities**

Liability arising out of the use by any person of the sauna unless:

- i. Disclaimer signs being posted
- ii. Sauna is checked daily at the close of business
- iii. A register of usage is kept
- iv. Protective wooden slats should be placed around the sauna heater: Slats should be made of the same material as the rest of the sauna and be placed at least one inch from the heater.
- v. Appropriate signs to inform individuals about the fire hazard are adequately displayed and persons using sauna are made aware of such
- vi. Warning signs displayed against the drying of clothing and towels over the heating elements

j. Liability arising out of any animal or wildlife feeding or interaction is excluded.

5. **Animals**

Liability in respect of death, bodily injury, illness, or loss or damage caused by, or in connection with, or arising from, any animal other than domestic dogs or cats attached to the insured's household and belonging to the insured or guests dogs or cats whilst at the insured's premises unless stated to the contrary on the schedule of the policy.

6. **Farms & game**

Liability arising out of any commercial farming activity or from the ownership or possession of any "game" or wild animals whether such game or wild animals are owned or kept for commercial purposes or not unless stated to the contrary on the schedule of the policy.

7. **Disease or impairment**

Liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event.

8. **Handing over of any work**

Liability consequent upon injury or damage 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.

9. **Vibration**

Liability for damage caused by vibration or the removal or weakening of or interference with support to any land building or other structure.

10. **Fire starter liquids**

Liability arising out of the use of Gel fire starter liquids from the cover provided by this policy unless the insured can prove that the Gel was applied to the material that was to be ignited before actual ignition occurred.

Sub-section B – Pollution liability

Indemnity

The Insured is indemnified by this Sub-section in accordance with the Operative Clause for and/or arising out of Injury and/or Damage occurring in its entirety during the period of insurance and arising out of Pollution, but only to the extent that the Insured can demonstrate that:

1. such pollution was the direct result of a sudden, specific and identifiable event occurring during the period of insurance, since inception or the last anniversary date.
2. the Insured had taken all reasonable precautions to prevent loss by Pollution.
3. This Section is extended to include the following, within the Limit of Liability stated in the schedule unless a separate limit is specified and subject to the terms, Conditions and Exclusions of this Section and of the policy as a whole insofar as they can apply.

Exclusions

This Sub-section is subject to the exclusions of Sub-section A, and also does not cover:

1. **Premises owned**

Liability for damage to premises presently or at any time previously owned or tenanted by the insured.

2. **Land occupied**

Liability for damage to land or water within or below the boundaries of any land or premises presently or at any time previously owned or leased by the Insured or otherwise in the Insured's care, custody or control.

Sub-section C – Employer's liability indemnity

The Insured is indemnified by this Sub-section in accordance with the Operative Clause, but only for Injury to any person:

1. under a contract of employment or apprenticeship with the insured or
2. engaged by the Insured under a contract constituting the provision of labour only
3. this Section is extended to include the following, within the Limit of Liability stated in the schedule unless a separate limit is specified and subject to the terms, Conditions and Exclusions of this Section and of the policy as a whole insofar as they can apply.

Where such Injury arises out of or in the course of the execution of such contract and occurs during the period of insurance.

Exclusions

This Sub-section is subject to the exclusions of Sub-section A, and also does not cover:

1. liability for claims for which the Insured is liable under any workers compensation act or unemployment compensation scheme.
2. claims or liability for claims arising out of asbestosis or silicosis or other fibrosis of the lungs or any other illness or disease related to infection of the respiratory system following continuous or continual inhalation or ingestion or any substance or other illness or disease sustained by an employee which arises out of his her employment.
3. claims or liability for claims arising from any condition directly or indirectly caused by or associated with Human T-Cell Lymphotropic Virus type III (HTL V 111) or Lymphadenopathy Associated Virus (LAV) or the mutants, derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome or any syndrome or condition of a similar kind howsoever it may be named.
4. any liability for wrongful dismissal arising directly or indirectly out of any unfair labour practice within the meaning of the Labour Relations Act Number 28 of 1956 or as amended.

Additional insured

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

1. in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured
2. any partner or director or employee of the Insured (if the Insured so requests and the Company agrees) against any claim for which the Insured is entitled to indemnity under this insurance
3. to the extent required by the conditions of any contract 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
4. 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
 - a. any officer or member thereof
 - b. any visiting sports team or member thereof provided that:
 - i. the aggregate liability of the Company is not increased beyond the limits of indemnity stated in the schedule

- ii. any person or organisation to which this extension applies is not entitled to indemnity under any other policy
- iii. the indemnity under (a), (b) and (c) applies only in respect of liability for which the Insured would have been entitled to indemnity if the claim had been made against the Insured.

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

Principals (applicable to Sub-Section C: Employers liability)

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 Exclusion 2, indemnify the principal in like manner to the Insured but only so far as concerns the liability of the principal to any 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:

1. 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
2. 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
3. the liability of the Company is not hereby increased.

Security firms

Notwithstanding Exclusion 2, 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, 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.

Sub-section D – Errors and omissions

The insurers will pay to or on behalf of the insured all sums up to the limit stated in the schedule, which the insured shall become legally liable to pay by way of compensation as a result of a claim or claims first made against the insured and notified to the company during the Period of Insurance arising out of any act, advice, error or omission committed, or alleged to have been committed, subsequent to the effective date by or on behalf of the Insured in connection with the Insured's business as specified in the Schedule.

For the purposes of this Sub-section, the term "claim or claims" shall mean any:

1. writ, summons, application or other legal or arbitral proceedings, cross-claim or counter claim issued against or served upon the Insured.
2. written or verbal demand alleging liability communicated to the insured under any circumstances and by whatever means.

Sub-Section D – Exclusions

This insurance shall not apply to:

1. a. any claims or claims first made against the insured prior to the inception of this policy
- b. any fact, situation or circumstance of which the insured had become aware prior to the inception of this policy, which a reasonable person in the insured's position would have considered may give rise to a claim or claims under this or similar or like policies.

2. any claim or claims arising out from any actual act, error or omission or conduct by or on behalf of the insured prior to the effective date of this policy.
3. any claim which is based on or is attributable to any failure or omission on the part of the insured to effect or maintain insurance.
4. any claim arising out of delays in the performance of services or the supply of products.
5. any claim arising out of any form of industrial action, whether such action is taken by the Insured's employees or by others.
6. any claim for the failure to perform to the conditions of any contract.
7. any claim for which cover is provided for elsewhere in this insurance.

Section exclusions – Personal liability

In addition to the Section Exclusions and the Sub-section Exclusions, the indemnity granted to the owner of the establishment specified in the schedule under "Indemnity to others" does not cover liability.

1. Own employment

arising out of and in the course of the owner'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, other than in respect of the establishment stated in the Schedule.

2. Own property

arising out of the ownership or possession or use or occupation of any land, buildings or structures; or handling of any firearms or airguns or any animals (other than dogs and cats).

3. Dishonest acts

arising out of any dishonest, fraudulent or malicious act of the owner.

4. Sexual molestation

arising out of any acts of physical assault, corporal punishment, physical or sexual abuse, or sexual exploitation by the owner.

5. Participant sports

arising out of any liability to a fellow participant in any contact sport.

Liability section exclusions

In addition to the Exclusions specified under General exceptions, conditions and provisions of this Policy, and the Sub-section A Exclusions, this Section does not cover:

1. Deliberate acts

Liability arising directly or indirectly out of the deliberate, conscious or intentional disregard by the insured's technical or administrative management of the need to take all reasonable precautions to prevent injury or damage.

2. Contractual liability

Liability assumed by the insured under any liquidated damage, penalty or forfeiture clause, express warranty, contract, agreement or guarantee other than to the extent that such liability would have attached to the Insured in the absence of such clause, warranty, contract, agreement or guarantee.

3. Fines, penalties and punitive damages

Liability for awards or damages of a punitive or exemplary nature whether in the form of fines, penalties, multiplication of compensation awards or damages or aggravated damages or in any other form whatsoever.

4. **Damage to products**

Liability for damage to any product or part thereof.

5. **Product guarantee**

Liability for costs incurred in the repair, reconditioning, modification or replacement of any Product or part thereof and/or any economic loss consequent upon the necessity for such repair, reconditioning, modification or replacement.

6. **Recall**

Liability arising directly or indirectly out of the recall of any product or part thereof.

7. **Aviation products**

Liability arising directly or indirectly out of any Product or part thereof which the Insured knows or ought to know is intended to be incorporated into the structure, machinery, electrics, electronics or controls of any aircraft or spacecraft.

8. **Asbestos**

- a. Liability directly or indirectly caused by or alleged to have been caused by or contributed to in whole or in part by or arising from the existence of or exposure to asbestos and/or asbestos containing products.
- b. Any obligation to defend any claim or suit against the insured alleging liability resulting from (a) above not to the company's liability for defence costs arising therefrom.

9. **Terrorism**

Notwithstanding any provision to the contrary in this policy or any endorsement thereto it is agreed that this Section of the policy excludes loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

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

This exclusion also excludes loss, injury, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in anyway relating to any act of terrorism.

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

In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

10. **Internet cyber liability**

Any claim, loss, liability or costs and expenses incurred directly or indirectly in connection with any operations involving the internet, intranet and extranet.

- a. Notwithstanding the above, it is hereby understood and agreed that the indemnity provided by this section shall apply to cover the liability of the company arising from the following:
 - i. Negligent act, error, omission and/or negligent misrepresentation and/or negligent misstatement.
 - ii. Defamation, malicious falsehood (including slander of title and slander of goods) unintentional false attribution of authorship or passing off.

- iii. Unintentional infringement of intellectual property rights (including copyright, trademark, service mark, moral rights, patent rights, registered design) breach of confidence or infringement of any rights of privacy.
 - iv. Unintentional misuse of any information, which is either confidential or subject to statutory restrictions on its use.
- b. The Policy does not cover liability arising out of the loss, damage, disclosure, inaccessibility, incorrect rendering, duplication or detrimental change to any Data or of any consequence therefrom, unless as a direct consequence of Damage to tangible property.

Data shall mean any machine readable information including ready for use programs or electronic data, irrespective of the way it is used and rendered including but not limited to text or digital media.

11. Associated, subsidiary or parent company

Claims made against the Insured by any associated, subsidiary or parent company of the Insured, or brought about by any person having a financial or executive interest in the Insured, unless emanating directly from an independent third party.

12. Insolvency

Claims arising out of the insolvency, liquidation or judicial management of the Insured or of any party who enters into an agreement with the Insured.

13. Medical advice

caused by or through or in connection with any advice (other than gratuitous advice) or treatment of a professional nature (other than first aid treatment or advice, or treatment given or administered by the Insured in the course of or in connection with the business being health spa's, gymnasiums, health hydrotherapy activities and the like declared to and accepted by the Company) given or administered by or at the direction of the Insured

14. Gradual environmental impairment liability:

This Policy does not cover any liability for Claims for:

- a. personal injury or bodily injury or financial loss or loss of, damage to, or loss of use of property directly or indirectly arising out of the discharge, dispersal, release or escape of Pollutants;
- b. the cost of removing, nullifying or cleaning up Pollutants;
- c. fines, penalties, punitive or exemplary damages arising directly or indirectly out of the discharge, dispersal release or escape of Pollutants.

Liability section conditions

In addition to the Conditions specified under General exceptions, conditions and provisions, this Section is subject to:

1. Self-insured excess

The insurers shall only be liable for that part of each claim or series of such claims arising out of any one originating cause under this Section, including Defence Costs, which exceeds the amount stated in the schedule. The insured shall retain this Self-Insured Excess for its own account and shall not insure it elsewhere.

2. Subrogation

The insurers shall become subrogated to all rights of recourse and remedies of the insured, before as well as after any payment by the insurers to the extent of such payment and the Insured shall take all reasonable steps to preserve such rights and remedies.

Notwithstanding the above, if any payment is made or may be made under this Section and the insurers is thereupon subrogated to the insured's rights of recovery in relation thereto, the insurers agree not to exercise any such rights against any director or employee of the insured unless the claim is brought about or contributed to by the dishonest, fraudulent, criminal or malicious act or omission of the director or employee.

The insured shall give all such assistance in the exercise of rights of recovery as the insurers may reasonably require.

3. Relinquishment

The insurers may at any time pay to the insured in connection with any claim or series of claims under this Section, the amount of the Limit of Liability remaining under this Section or any lesser amount for which such claim or claims can be settled less any sums already paid and, where Defence Costs are inclusive within the Limit of Liability, less any associated Defence Costs already paid.

Upon such payment being made, the insurers shall relinquish the conduct and control of and be under no further liability in connection with such claims or associated Defence Costs incurred after the date of such relinquishment.

However, if insurers exercise the above option and the total amount required to dispose of any claim or series of claims exceeds the Limit of Liability and Defence Costs are payable in addition to the Limit of Liability under this Section then the Insurers will pay their proportion of Defence Costs incurred up to the date of relinquishment in such proportion as the amount of the indemnity available under this Section bears to the total amount which in the opinion of the insurers at the time of relinquishment will be necessary to dispose of the claim.

4. Timing of injury and damage

Where it is not otherwise possible to ascertain the timing of injury or damage, then for the purpose of determining the indemnity granted by this Section:

- a. injury will be deemed to have occurred when the claimant first consulted a qualified medical practitioner regarding such Injury, whether or not it was correctly diagnosed at that time. If no such consultation took place, then the Injury will be deemed to have occurred when the insured first received written notice of the Injury.
- b. damage will be deemed to have occurred when the claimant first became aware of such damage, even if the cause was unknown.

5. Service of suit

It is hereby agreed that:

- a. this insurance shall be governed by the law of the Republic of South Africa whose Courts shall have jurisdiction in any dispute arising hereunder; and
- b. any summons, notice or process to be served upon the company for the purpose of instituting any legal proceedings against them in connection with this section of the policy may be served upon:

Bryte Insurance Company Limited
Rosebank Towers, 5th Floor, 15 Biermann Avenue, Rosebank, 2196
who have authority to accept service on their behalf

Accounts receivable

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, 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 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 provided that:

1. such damage has not been brought about by the direct or indirect action of any party which shall include strikes, labour disturbances, malicious damage or intent thereof or political interference;
2. should such interruption or interference arise from mechanical or electrical or electronic breakdown, there shall be no liability under this extension for interruption or interference with the business unless such interruption or interference extends beyond 24 hours from commencement thereof.

Specific exceptions

The Company will not pay for:

1. loss resulting from loss or damage to the books of account or other business books or records caused by
 - a. wear and tear or gradual deterioration or moths or vermin;
 - b. detention seizure or confiscation by any lawfully constituted authority;
 - c. 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 of each and every loss.
2. loss caused by fraud or dishonesty of any 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:

1. the difference between
 - a. the outstanding debit balances and
 - b. the total of the amounts received or traced in respect thereof plus
2. the additional expenditure incurred in tracing and establishing customers' debit balances after the damage provided that if the sum insured under this item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

Definitions

Outstanding debit balances

The total declared in the statement last given under the provisions of the following memorandum adjusted for:

1. bad debts;
 2. 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
3. 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 reasonably practicable those which would have been obtained at the date of the damage had the damage not occurred.

Clauses and memoranda

Declarations

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

Adjustment

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

On the expiry of each period of insurance the actual premium shall be calculated at the rate % per annum on the average amount insured, i.e. the total of the sums declared divided by the number of declarations. If the actual premium is greater than the provisional premium, the Insured shall pay the difference. If it is less, the difference shall be repaid to the Insured, but such repayment shall not exceed 33,3 % 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.

Extensions and clauses

1. Accountants clause

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

2. Duplicate records extensions (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.

3. Protections extensions (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 normal business hours unless they are being worked on or are required for immediate reference.

4. **Transit extension extensions (if stated in the schedule to be included)**

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

Cyber funds protect section

This Policy is a formal agreement between Your Business and Phishield UMA (PTY) Ltd (hereinafter referred to as 'We/Us') who have a written mandate to act on behalf of Bryte Insurance Company Limited, the underwriter.

All documentation associated with regards this to Policy shall be read together as one contract and any word or expression to which a specific meaning has been attached in any part of the Policy or the cover explanation shall bear specific meaning wherever it may appear.

1. Description and scope of cover

We will indemnify Your Business against a Loss of Funds Event from Your Business Account that occurs during the Period of Cover. The maximum We will pay is up to the Cover Limit stated in the Policy Schedule.

2. Definitions

In this Agreement the following expressions bear the meanings assigned to them below and cognate expressions bear corresponding meanings. Words in singular include the plural and words in plural include the singular.

a. By "Access Device" we mean:

Any device used to control and/or restrict access to Your Account to initiate a Funds Transfer for personal purposes. In the event of the Access Device being stolen you must, within at least two hours of discovery of the theft event, request that your Financial Institution delink your accounts linked to the stolen access device, cancel all related debit and credit cards and change all passwords and logins accordingly to mitigate the potential loss due to fraud.

b. By "Account" we mean:

An account held with a Financial Institution, in the name of Your Business and established for business purposes only, which Your Business transacts with electronically via an Access Device. Any funds held on and/or administered on behalf of a third party are specially excluded from cover.

c. By "Cover Limit" we mean:

The maximum amount payable per Event as reflected on the Policy Schedule.

d. By "Cyber Extortion Event" we mean:

The unlawful monetary demand made by an individual or organisation threatening to disrupt computer systems belonging to Your Business; corrupt, damage, destroy, disclose or withhold data stored by Your Business, compromise Your Business's website; or hinder access to Your Business's computer systems by electronic means. Cover is limited to 10 (ten) percent of the Cover Limit reflected on the Policy Schedule.

e. By "Employee" we mean:

Any person and or entity acting directly and or indirectly for and on behalf of Your Business. This includes but is not limited to agents, employees, officers, members, independent contractors, volunteers or any other persons associated with Your Business.

f. By "Event" we mean:

The period from the initial Funds Transfer until the date that Event is reported to the Financial Institution. All Funds Transfers attributable to one originating source or cause are considered to be one Event.

g. By "Financial Institution" we mean:

A legally recognised and regulated juristic entity, such as, but not limited to, banks and credit card companies, which provides Funds Transfer services to Your Account.

h. By “Fund Transfer” we mean:

A debit from Your Business Account as a direct result of an electronic transfer of funds for a business-related transaction. A Funds Transfer excludes payments made in cash.

i. By “Inception Date” we mean:

The date, as reflected on the Policy Schedule, on which the Policy is effective.

j. By “Insurer” we mean:

Bryte Insurance Company Limited, a licensed Insurer and the underwriter.

k. By “Internet Security Software” we mean:

A comprehensive paid for internet security software subscription that provides cyber security and protection for the Access Device/s utilised by Your Business. We must be able to verify the validity and authenticity of the license, held in the name of Your Business, and all updates must be installed at the date of Event. Free or trial versions of any internet security software are not permitted. Your Business may be required to submit the proof of purchase of the Internet Security Software in order to validate a claim.

l. By “Loss of Funds” we mean:

The actual monetary amount of the Funds Transfer from Your Business Account as a result of the fraudulent conduct of a third party, without collaboration from Your Business or Employees, which is irrecoverable from a Financial Institution or Your Payee. This includes a Loss of Funds as a result of a Cyber Extortion Event. The Funds Transfer must have occurred during the Period of Cover and Your Business must first have sought reimbursement from the Financial Institution that holds the Account from which the funds were transferred.

m. By “Period of Cover” we mean:

The period of twelve months, whether continuous or not, from the Inception Date until the effective date of termination, expiration or cancellation, or the date of renewal, whichever event occurs first. Any period for which no Premium is received will be excluded from the Period of Cover.

n. By “Policy” we mean:

This document, accompanying Policy Schedule, proposal form and any other information Your Business has provided to Us.

o. By “Policy Schedule” we mean:

The document which specifies the name of Your Business, the Cover Limit, Premium payable and the Period of Cover.

p. By “Premium” we mean:

The amount payable in advance by you in consideration of the insurance coverage. The Premium is an annualised premium which may be paid monthly as per the frequency noted on the Policy Schedule.

q. By “We/Us/Our” we mean:

Phishield UMA (Pty) Ltd, the administrator.

r. By “Your Business” we mean:

The juristic person specified as the policyholder in the Policy Schedule. This includes, but is not limited to partnerships, companies, close corporations, sole proprietors, trusts and associations.

s. **By “Your Payee” we mean:**

The third party to whom the Funds Transfer has been effected to.

3. **Special conditions of cover**

The insurance cover is conditional upon the following:

- a. All Access Devices must be protected by Internet Security Software on date of the Funds Transfer.
- b. The payment of the Premium by Your Business or on behalf of Your Business and the receipt thereof by or on behalf of Us.

4. **Specific exclusions**

This Policy shall not apply to any losses arising directly or indirectly in the event of the following:

- a. Counterfeit or stolen goods and goods and/or services deemed not fit for purpose by Your Business;
- b. Any Loss of Funds from trust accounts regulated by the Legal Practice Act 28 of 2014;
- c. Any Loss of Funds from trust accounts regulated by the Property Practitioners Act 22 of 2019;
- d. Funds Transfers as a result of errors, omissions and/or negligence by Your Business and/or a Financial Institution;
- e. All Funds Transfers for goods and/or services advertised on classified sites;
- f. Goods and/or services delivered to Your Payee or not received by Your Business;
- g. Any dishonest, criminal, malicious or fraudulent acts by an Employee or any person acting in concert with Your Business or acts Your Business participated in, directed, or had prior knowledge of;
- h. Any direct or indirect consequential loss or damage suffered by Your Business or a third party;
- i. Any Funds Transfer deducted and/or reversed from Your Business Account by a Financial Institution;
- j. All Fund Transfers between Your Business and its subsidiary businesses and/or businesses owned and/or controlled by the director, shareholders and/or management team;
- k. Any Loss of Funds from cryptocurrency accounts and/or any unregulated Investment funds/schemes;
- l. Any Loss of Funds due to unlicensed software use, computer viruses or similar destructive media;
- m. Financial loss due to loss of income for example, but not limited to deposits and/or credit amounts not reflecting in Your Business’ Account;
- n. Any accounts belonging to third parties linked to Your Business’ Account profiles;
- o. Any loss due to ATM fraud, for example by not limited to card trapping, card skimming, shoulder surfing etc., where You are present;
- p. Any loss due to an armed robbery or due to disclosure of Your Business’ Account passwords, PINS, and/or login details under duress;
- q. Loss of goods.

5. **General exclusion: Fraud**

- a. If any claim under this Policy is:
 - i. in any respect fraudulent (either wholly or in part); or
 - ii. If any fraudulent means or devices are used by the Insured or any third party acting on the insured’s behalf or with the knowledge or consent of the insured to obtain (or in an attempt to obtain) any benefit under this Policy;
 - iii. If any accident, loss, destruction, damage or liability be occasioned by the wilful act (or omission) or with the knowledge, consent or connivance of the Insured regardless of whether or not the claim in itself is fraudulent:
 - all benefits under this Policy will be forfeited in their entirety and insures will be entitled to recover any amounts already paid to the Insured pursuant to the claim; and
 - Insurers will be entitled to cancel the Policy with retrospective effect as at the date of the occurrence giving rise to the claim or the reported occurrence date, whichever occurred first (termination date); and

- in the event that Insurers terminate the policy, Insurers will be entitled to recover any amounts already paid to the Insured from the Termination Date irrespective of whether such payments were made pursuant to valid claims; and
 - The Insured will not be entitled to any refund of premium in any circumstance.
- b. This policy does not cover any claim, losses of whatsoever nature including damage, theft, liability, costs or expenses, consequential loss or damage caused by any fraudulent scheme, trick, device or false pretence practiced on the insured. False pretence means the false representations concerning past or present facts that are made with the intent to defraud another or the crime of obtaining title or possession to another's property by false pretences.

6. General conditions and provisions

- a. Misrepresentation or non-disclosure of any material information on any documentation associated to this Policy shall render the Policy voidable.
- b. Where Your Business has concurrent cover for an Event as defined in this Policy, We will only be liable for the rateable portion of the amount payable in respect of a claim event.
- c. Unless otherwise agreed to in writing, only one person per Policy will be covered and all Accounts must be held in the name of Your Business or Your name. In the event that an additional person is added to the cover, as agreed to in writing by Us, the name of the person must be stated on the Policy Schedule under the relevant section of cover.
- d. Multiple Funds Transfers shall be deemed to be one Event if they are as a result of a common cause of loss and the Cover Limit will not apply to each individual Funds Transfer.
- e. All claims will be paid in South African Rands only into the nominated bank account of an Account held in the name of Your Business.
- f. Any costs to report or investigate any Event will be for Your Business's Account.
- g. Nothing in this Policy shall give any rights to any persons or parties and any indemnity provided shall not give any rights of claim to any persons or parties.
- h. This Policy is subject to the laws of the Republic of South Africa whose courts shall have exclusive jurisdiction. If the Cover Limit is increased at any time, the new Cover Limit will only be applied to Funds Transfers that are effected after the date of the increase request.
- i. This Policy is not transferable to another person or party.

7. Claims

On the occurrence of an Event, Your Business shall, at its own expense:

- a. Immediately (within 24 hours of becoming aware of the Loss of Funds) notify the Financial Institution from which the Funds Transfer was effected, or transferred to, to avoid a further Loss of Funds occurring;
- b. Within 90 days of the Event, lodge an intent to claim via the Intermediary or directly with Us at claims@phishield.com;
- c. Take all reasonable and practical steps to discover the guilty party and to recover the Loss of Funds;
- d. Where statutorily required, report the fraudulent activity to the police and/or authorities;
- e. In order for Us to assess and process the claim, We require the following:
 - i. Fully completed Phishield Claim Form which includes a detailed description of the Event;
 - ii. A statement of Account from the Financial Institution reflecting the Funds Transfer;
 - iii. A letter from the Financial Institution stating that they will not reimburse the Loss of Funds incurred;
 - iv. Company registration documents or related documentation to verify the identity of Your Business;
 - v. Any other documentation We may require in order to process the claim such as, but not limited to, sworn declarations in connection with the Event, communications between Your Business and relevant third parties, case numbers etc.;
 - vi. Copy of the Policy Schedule.
- f. Any claim submitted will expire after 24 months from the Event unless the claim is the subject of pending legal action.

- g. Following a claim event, We reserve the right to take over and conduct any legal proceedings in the name of Your Business against any third party responsible for the Loss of Funds, including prosecution of any guilty party. We shall have full discretion in the conduct of proceedings and in the settlement of any claim. Your Business may be called upon to render all assistance with regards to any legal proceedings. Should Your Business fail to render assistance when called upon to do so, Your Business shall immediately become liable to repay Us all amounts paid in respect of the claim.
- h. Your Business may not make any admission, statement, offer, promise, payment or indemnity in connection with a claim without Our written consent.
- i. Your Business shall do and permit to be done all such things as may be necessary or reasonably required by Us for the purpose of enforcing any rights to which We shall be, or would become subrogated upon indemnification of Your Business whether such things will be required before or after such indemnification.
- j. If any claim under this Policy is in any respect fraudulent, dishonest, inflated or if any fraudulent means or devices are used by Your Business or anyone acting on Your Business's behalf, knowledge or consent to obtain any benefit from this Policy, the benefit afforded in respect of any such claim shall be forfeited.
- k. Your Business will need to let Us know if you have insurance cover with another provider that covers the same Event. We will not cover any Loss of Funds covered by a third party.
- l. Your Business must inform Us of any possible prosecution, legal proceedings or claim that could be lodged against Your Business as a result of the incident for which has already been claimed for.
- m. In the event of a dispute as to whether the conduct of the third party is fraudulent, the outcome of court proceedings will be used as the deciding factor.

8. **General exceptions**

Notwithstanding any provision of this Policy which would otherwise override a general exception, We do not pay for any direct or indirect losses as a result of the following:

- a. Civil commotion, labour disturbances, riot, strike, lockout or public disorder or any related activity;
- b. War, invasion, act of a foreign enemy, hostilities, civil war or warlike operations. This includes losses related to war, whether or not a fund has been established under the War Damage Insurance and Compensation Act No 85 of 1976 or any similar law in any country to which this Policy applies;
- c. Any loss of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism which includes, without limitation, the use of violence or force or the threat to bring about political aim, social change, economic change as well as any protest against any state or government, provincial, local or tribal authority. Acts of terrorism include acts committed for political, religious, personal or ideological reasons.
- d. The policy does not cover any claim, loss, damage, cost, liability, expense, consequential loss or damage of any nature whatsoever directly or indirectly caused by, resulting from, arising out of, in connection with a national (including regional, municipal, local and/or private) interruption, failure, interference, or suspension of the electricity supply to the electricity grid of South Africa for whatsoever reason, whether due to damage, an inability and/or failure (whether partial or total) of the utility supplier to generate, transmit or distribute electricity, or otherwise.

9. **Cancellation of the policy**

This Policy may be cancelled by You giving 31 days' notice in writing (or such other period as may be mutually agreed). You can cancel the Policy with immediate effect. On cancellations by You, We shall be entitled to retain the customary short period or minimum Premium for the period the Policy has been in force, unless cooling-off rights apply. On cancellation by Us, the insured shall be entitled to claim a pro-rata proportion of Premium for the remainder of the period of insurance from the date of cancellation.

10. **Amendment of policy terms and conditions**

We may make changes to the terms and conditions of this Policy as and when We deem it necessary to do so. When We do, We will give 31 days' written notice to Your Business' nominated email address.

11. Territorial limits

There are no territorial limits for this Policy i.e. Your Business is covered anywhere in the world, subject to relevant local legislation and regulatory requirements. The registered place of business must be within the borders of the Republic of South Africa.

Update of personal information or personal circumstance

It is very important that You keep Us updated with Your contact information and details, especially Your nominated email address, as all communication from Us will occur via electronic means only. The onus is on You to ensure that We have the correct and active email address and contact details and We will accept no liability for any errors in this regard. Your personal details include, but are not limited to:

1. Email address/contact details;
2. Any refusal for cover or claims due to fraud or dishonesty;
3. Potential risk which may affect the terms and conditions of this Policy.

Inform Us immediately of any changes to Your circumstances that may influence the terms and conditions of this Policy.

Honesty is always the best policy

Always provide Us and the authorities with true and complete information. This applies to any other party that may act on Your behalf. We act on the information provided by You, therefore any information which is misleading, incorrect or false will prejudice the validity of all claims or may make this Policy null and void (You will no longer be entitled to any benefit and any premiums paid will be forfeited).

Contact

Registered Address

Rosebank Towers, 5th Floor, 15 Biermann Avenue,
Rosebank, 2196, South Africa

T 011 088 7000

www.brytesa.com

Bryte Insurance Company Limited

A Fairfax Company

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