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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 sections up to the sums insured, limits of indemnity, compensation and other amounts specified.

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

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

GENERAL EXCEPTIONS

1. War, Riot and Terrorism

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

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

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

GENERAL EXCEPTIONS CONDITIONS AND PROVISIONS

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

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

2. Nuclear

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 be or arising from:

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

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

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

3. Computer Loss General Exclusion

General Exclusion 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 special exclusion or extension or other provision not included herein which would otherwise override a general exclusion, this Policy does not cover:

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

directly or indirectly caused by or contributed to 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 to correctly or appropriately 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 to correctly 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;
- 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 code, media or programme or interference.

GENERAL EXCEPTIONS CONDITIONS AND PROVISIONS

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 the above General Exclusion

- (i) Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to in B below or indemnified by the glass,

Employer's Liability, Stated Benefits, Group Personal Accident or Motor section is not excluded by this General Exclusion.

- (ii) The special perils that are not excluded for the purpose of this special extension are damage caused by:

1. storm, wind, water, hail or snow excluding damage to property

- a. arising from its undergoing any process necessarily involving the use or application of water;
- b. caused by tidal wave originating from earthquake or volcanic eruption;
- c. in the underground workings of any mine;
- d. in the open (other than buildings structures and plant designed to exist or operate in the open);

Unless so described and specifically insured as a separate item

- e. any structure not completely roofed;
- f. being retaining walls;

2. aircraft and other aerial devices or articles dropped therefrom;

3. impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

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

- (iii) The above General Exclusion also does not apply to consequential loss as insured by any Business Interruption indemnity provided by this policy to the extent that such consequential loss results from damage to insured property by the perils referred to in A above.

- (iv) 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 Loss General Exclusion and this Special Extension.

- (v) This Special Extension shall not apply to any Public Liability indemnity.

Provided that the Company's liability in respect of this cover is limited to 25% of the affected material damage section's sum insured under this Policy in respect of any one occurrence.

GENERAL EXCEPTIONS CONDITIONS AND PROVISIONS

4. Detention, Confiscation and Forfeiture

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

5. Asbestos

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

6. Sanctions

The Company shall not be liable to provide any cover, pay any claim, provide any benefit or provide any indemnification under this policy if the Insured is listed, or is included by the respective authorities as a sanctioned, or prohibited entity or individual to do business with or indemnify, under the United Nations resolutions or any trade or economic sanctions, laws or regulations of the European Union, the United Kingdom, the United States of America or South Africa.

7. Pandemics, Epidemics, Infectious or contagious disease or response taken by an authority

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 any claim, loss, damage, cost or expense of any nature whatsoever, directly or indirectly and regardless of whether any other cause or event contributed concurrently or in any sequence, arising out of, related to, caused by, attributable to, contributed to or otherwise has any connection to:

- a. a pandemic or any threat or fear of any of the aforementioned whether actual or perceived;
- b. an epidemic or any threat or fear of any of the aforementioned whether actual or perceived;
- c. any disease, virus, illness, medical ailment, hazard to public health, or any threat or fear of any of the aforementioned, whether actual or perceived; or
- d. any limitation or prevention of use of or access to insured premises due to or in response to any of the events contemplated in clauses a, b and/or c above; or
- e. any authority's actions, reaction, advice, measures, restrictions, and/or other responses to any of the events contemplated in clauses a, b and/or c above.

For purposes of this general exclusion:

An "authority" is defined to mean any public authority, including any national or international body empowered with the capability and authority to act, react or respond, or cause an action, reaction or response, to whatsoever circumstance at a local, municipal, regional, provincial, national, or international level;

An "action, reaction or response" is defined to mean, without limitation, any action by an authority."

If the Company alleges that, by reason of this exception, any claim, loss, damage, cost or expense is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

8. Exclusion of any composite peril or accompanying part or component of a composite peril

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 any claim, loss, damage, cost or expense of any nature whatsoever, directly or indirectly, related to, caused by, attributable to, contributed to any actions, advice, measures, restrictions, or other responses of any governmental authority or any other authority to any Defined Event /Insured Event.

It is declared and agreed that "The term Defined Event / Insured Event shall be construed narrowly to comprise only of the event(s) expressly described in the particular section of the policy and any governmental authority or any other authority's actions, advice, measures, restrictions, or other responses to any of the Defined Events / Insured Events shall not constitute a part or component of such Defined Event /Insured Event."

GENERAL EXCEPTIONS CONDITIONS AND PROVISIONS

For purposes of this general exclusion:

An "authority" is defined to mean any public authority, including any national or international body empowered with the capability and authority to act, react or respond, or cause an action, reaction or response, to whatsoever circumstance at a local, municipal, regional, provincial, national, or international level;

An "action, reaction or response" is defined to mean, without limitation, any action by an authority."

If the Company alleges that, by reason of this exception, any claim, loss, damage, cost or expense is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

9. **Specific exclusion for disease or any medically related risks**

Notwithstanding anything to the contrary anywhere else in this policy, this policy does not cover any claim, loss, damage, cost or expense of any nature whatsoever, directly or indirectly and regardless of whether any other cause or event contributed concurrently or in any sequence, arising out of, related to, caused by, attributable to, contributed to or otherwise has any connection to –

- a. any disease, virus, illness, medical ailment, hazard to public health, or any threat or fear of any of the aforementioned, whether actual or perceived; or
- b. any limitation or prevention of use of or access to insured premises due to or in response to any of the events contemplated in clause a above; or
- c. any authority's actions, reaction, advice, measures, restrictions, or other responses to any of the events contemplated in clause a above.

For purposes of this specific exclusion:

An "authority" is defined to mean any public authority, including any national or international body empowered with the capability and authority to act, react or respond, or cause an action, reaction or response, to whatsoever circumstance at a local, municipal, regional, provincial, national, or international level;

An "action, reaction or response" is defined to mean, without limitation, any action by an authority."

If the Company alleges that, by reason of this exception, any claim, loss, damage, cost or expense is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

10. **Utilities Exclusion**

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 any claim, loss, damage, cost or expense of any nature whatsoever, directly or indirectly, related to, caused by, the total or partial failure of the supply of electricity, gas, water, communications or data processing facilities, steam, sewerage or other similar services attributable to, any actions, advice, measures, restrictions, or other responses of any governmental authority or any other authority.

For purposes of this general exclusion:

An "authority" is defined to mean any public authority, including any national or international body empowered with the capability and authority to act, react or respond, or cause an action, reaction or response, to whatsoever circumstance at a local, municipal, regional, provincial, national, or international level;

GENERAL EXCEPTIONS CONDITIONS AND PROVISIONS

An "action, reaction or response" is defined to mean, without limitation, any action by an authority."

If the Company alleges that, by reason of this exception, any claim, loss, damage, cost or expense is not covered by this policy, the burden of proving the contrary shall rest on the Insured.

11. Theft by false pretences

This policy does not cover any loss, damage, cost, expense and/or liability arising from any fraudulent scheme, trick, device, or false pretence. However, If the Insured does provide time and date stamped documentary evidence and proof to the satisfaction of the Company that they and/or their employees, conducted the necessary verification and validation processes to confirm the accuracy, authenticity and/or legitimacy of the request to release out of their custody, care and control, such insured property, this exclusion shall not apply.

GENERAL CONDITIONS

1. Misrepresentation, mis-description and non-disclosure

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

2. Notwithstanding General Condition 1 of the policy it shall be a condition precedent to liability on the policy that in respect of all insured buildings

- 2.1 Details of all the business occupations/activities of each of the occupants must be fully disclosed in writing to the Company
- 2.2 Any changes to the business occupations/activities of each of the occupants must be fully disclosed in writing to the Company within 30 days prior to such change
- 2.3 Any new occupants and their business occupations/activities must be fully disclosed in writing to the Company within 30 days before such new occupants move into the premises.

It is hereby declared and agreed that the Company reserves the right to review and revise the terms of the policy or decline to continue insuring the risk in terms of General Condition 1 of the policy wording should these disclosures reveal any significant material changes in the risk.

3. Other insurance

If at the time of any defined event/s giving rise to a claim under this policy, an insurance exists with any other insurer covering the insured against the defined event/s, 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.

4a. Cancellation

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

4b. Continuation of cover (where premium is payable by bank debit order or by transmission account).

The premium is due in advance and, if it is not received by the company by due date, 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/her bank or other paying agent.

GENERAL EXCEPTIONS CONDITIONS AND PROVISIONS

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

- (i) each third
- (ii) each sixth or
- (iii) each twelfth

calendar month following inception, where premium is payable quarterly, half-yearly or annually.

If the company does not receive the premium by the payment due date, the company will debit the unpaid premium again at the next payment due date. If the company is able to collect both premiums, the policy will remain in force. If the company is unable to collect both premiums, the policy will be cancelled automatically from the due date of the first unpaid premium.

If the insured effects a stop payment on the premium payment, the policy will be cancelled automatically from the due date of the stopped premium.

5. 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 within one calendar month of the finalization of the recalculation of premium.

6. 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 which are material to the risk. The insured warrants that all laws, regulations, by-laws and rules that apply to the business or any other matter for which cover is provided in terms of this policy (irrespective of whether the laws, regulations, by-laws and rules that apply to the business are in force at the date this policy is issued, or are enacted after the date) shall be adhered to at all times.

The failure to adhere to any applicable law, regulation, by-law or rule shall entitle the insurer to reject any claim where such failure is material to the claim

7. 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 not later than 30 days after the event (in the case of theft or hijack of a vehicle not later than 7 days) 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, stated benefits or group personal accident section or the personal accident (assault) extension under the money section, if applicable) shall be payable if notified after the expiry of twenty-four 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 or is a claim in respect of the insured's legal liability to a third party.
- c. In the event of the rejection or repudiation of a claim, no such claim shall be payable unless the insured demands payment by serving written notice to the company within 90 (ninety) days of the rejection or repudiation. Should the rejection or repudiation still not be resolved, the insured will have an additional 180 (one hundred and eighty) days to pursue such legal proceedings to finality.

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- 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.

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

- a. On the happening of any event/s 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 license of the insured to the company to do so. The insured shall not be entitled to abandon any property to the company whether taken possession of by the company or not.
 - (ii) take over and conduct in the name of the insured the defence or settlement of any claim and prosecute in the name of the insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the insured without the written consent of the company.
- b. The insured shall, at the expense of the company, do and permit to be done all such things as may be necessary or reasonably required by the company for the purpose of enforcing any rights to which the company shall be or would become subrogated upon indemnification of the insured whether such things shall be required before or after such indemnification.
- c. In respect of any section of this policy under which an indemnity is provided for liability to third parties, the company may, in the case of any event, pay to the insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such an event can be settled and the company shall thereafter not be under further liability in respect of such event.

9. **Fraud**

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

10. **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 of any loss, the insured shall pay additional premium on the amount of the loss from the date thereof or from the date of reinstatement or replacement (whichever is the later) to expiry of the period of insurance.

11. **Breach of conditions**

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

12. **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.

GENERAL EXCEPTIONS CONDITIONS AND PROVISIONS

13. **Collective insurances**

If this insurance is a collective insurance then the following amendment is made to General condition 6. (a) (iv) above:

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

14. **Jurisdiction**

This policy is subject to the exclusive jurisdiction of the courts of law of the Republic of South Africa. The company is not liable for any loss, legal costs, or expenses not incurred in the Republic of South Africa.

15. **Policy Variation**

- (i) This policy, any section thereof, any term, condition, exception, extension or clause may be amended, varied or endorsed by the Company by giving 30 days' notice in writing (or such other period as may be mutually agreed upon) to the insured or the insured's appointed intermediary by post, fax or email to the last known contact details of the insured or its appointed intermediary that the company has on record. Any such amendment or variation shall be evidenced by the company issuing a written endorsement to the Policy and shall apply from the date as advised in the notice given to the insured. Should the insured not be prepared to accept the amendment, variation or change, the insured may elect to terminate the Policy, with effect from the expiry of the above 30 day period of notice provided that the insurer is given not less than 14 days' written notice of termination."
- (ii) The insured may request amendments to the Policy at any time by directing these requests to their appointed intermediary or the company by way of post, fax or email. Any such amendments shall be evidenced by the company by issuing an updated Policy Schedule to the insured or the insured's intermediary by post, fax or email detailing the amendments as requested by the Insured.

GENERAL PROVISIONS

1. **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.

2. **First amount payable**

Except where provided for specifically in any section, the amount payable under this policy/section for each and every loss, damage or liability shall be reduced by the first amount payable shown in the schedule for the applicable defined event.

3. **Members**

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

4. **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.

5. **Meaning of words**

The schedules and any endorsements 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.

GENERAL EXCEPTIONS CONDITIONS AND PROVISIONS

6. **Premium payment**

The premium is due in advance and, if not received by us by due date, this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance unless you can show that failure to make payment was due to an error on the part of your bank or other paying agent where premiums are paid by debit order. We shall not be obliged to accept premium tendered to us after inception date or renewal date as the case may be but may do so upon such terms as we at our sole discretion may determine.

7. **Holding covered**

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

8. **Schedule sums insured blank**

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

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

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

9. **Automatic Inflation Margin**

The Sums Insured of each item insured under the Property 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.

10. **Security firms**

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

11. **Value Added Tax**

All monetary amounts stated in this policy such as sums insured, limits of indemnity and premiums are inclusive of Value Added Tax (VAT). First amounts payable are not subject to VAT.

12. **Consent of disclosure of private information**

- (i) The Insured acknowledges that the sharing of information for underwriting and claims purposes is in the public interest, as it will enable insurers to underwrite policies and assess risks fairly and reduce the incidence of fraudulent claims with a view to limiting premiums.
- (ii) On behalf of the Insured and on behalf of anyone the Insured represents herein, the Insured hereby waives any right to privacy with regard to any underwriting and claims information in respect of any insurance policy or claims made or lodged by the Insured, or on behalf of the Insured.
- (iii) The Insured consents to such information being stored in the share database and used as set out above.
- (iv) The Insured also consents to such information being disclosed to any insurer or its agent.
- (v) The insured further consents to any underwriting information being verified against legally recognised sources or databases. The Insured agrees that this consent clause will survive the termination for whatever reason of the policy, including its cancellation or lapsing.

13. **Processing of personal information in terms of the protection of personal information act 4 of 2013**

The privacy of the insured is of utmost importance to the company. The company will take the necessary measures to ensure that any and all information, including Personal Information (as defined in the Protection of Personal Information Act 4 of 2013) provided by the insured or which is collected from the insured is processed in accordance with the provisions of the Protection of Personal Information Act 4 of 2013 and further, is stored in a safe and secure manner.

GENERAL EXCEPTIONS CONDITIONS AND PROVISIONS

The insured hereby agrees to give honest, accurate and up-to-date Personal Information and to maintain and update such information when necessary.

The insured accepts that the Personal Information collected by the company may be used for the following reasons:

1. to establish and verify your identity in terms of any Applicable Laws;
2. to enable the Administrator/company to fulfil its obligations in terms of this Policy;
3. to enable the Administrator/company to take the necessary measures to prevent any suspicious or fraudulent activity in terms of any Applicable Laws; and
4. reporting to the relevant Regulatory Authority/Body, in terms of any Applicable Laws.

The insured acknowledges that any Personal Information supplied to the company in terms of this Policy is provided according to any Applicable Laws.

Unless consented to by the insured, the company will not sell, exchange, transfer, rent or otherwise make available your Personal Information (such as your name, address, email address, telephone or fax number) to any other parties and the insured indemnifies the company from any claims resulting from disclosures made with the insured's consent.

The insured understands that if the company has utilised your Personal Information contrary to any Applicable Laws, the insured has the right to lodge a complaint with the company within 10 (ten) days. Should the company not resolve the complaint to the satisfaction of the insured, the insured has the right to escalate the complaint to the Information Regulator.



Defined Events

Damage to the whole or part of the property described in the schedule, owned by the Insured or for which they are responsible by

1. fire
 2. lightning or thunderbolt (but specifically excluding power surge unaccompanied by lightning or thunderbolt)
 3. explosion
 4. earthquake but excluding damage to property in the underground workings of any mine.
 5. 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
 6. aircraft and other aerial devices or articles dropped there from
 7. impact by animals, trees, rocks, boulders, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.
 8. deliberate or willful 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 if specifically insured;
 - (b) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
 - (c) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
 - (d) loss or damage related to or caused by any occurrence referred to in general exception 1 (A) (i), (ii), (iii), (iv), (v) 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.
9. Bursting, overflowing or escape of water or oil from tanks, apparatus or pipes including any fixed water or oil-fired heating installation including damage to such tanks, apparatus or pipes but excluding damage as a result of wear and tear and gradual deterioration. Loss of or damage to fixed water heating installations such as geysers will be limited to the limits displayed on the policy schedule.

Unless so described and specifically insured as separate item

Defined events 5, 6 & 7 do not cover.

1. wear and tear or gradual deterioration.
2. Damage caused or aggravated by
 - (a) leakage or discharge from any sprinkler or drencher system or other fire extinguishing 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. This section 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 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.

FIRE

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

Specific Condition

Average

If the property insured is at the commencement of any damage to such property by any 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.

Additional Perils (if stated in the Schedule to be included)

It is understood and agreed that in respect of each additional perils extension included in this insurance

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

Clauses and Extensions

Leakage Extension – First Loss Limit

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

This policy includes cover for loss or damage caused by the accidental discharge or leakage of fire extinguishing installations or appliances. In the case of sprinkler system installations, cover is subject to the system being an approved and compliant sprinkler installation in accordance with relevant regulatory and industry standards.

The limit shown on the schedule 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.

Leakage Extension – Full Loss Limit (If Stated in the schedule to be included)

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

This policy includes cover for loss or damage caused by the accidental discharge or leakage of fire extinguishing installations or appliances. In the case of sprinkler system installations, cover is subject to the system being an approved and compliant sprinkler installation in accordance with relevant regulatory and industry standards.

The limit shown on the schedule shall be the maximum liability of the Company in respect of any one event.

Alcohol and Beverage Extension

Damage caused by escape of beer or other beverages from fixed installations including resultant loss of beer or beverages, provided that the limit of the Company's liability in respect of loss or damage shall not exceed the limit shown on the schedule.

Subsidence and Landslip Extension (if stated in the schedule to be included)

Damage caused by subsidence or landslip

This extension does not cover

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

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

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:

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

Rent Clause (if insured under column 3)

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

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

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

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.

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 shown on the schedule for any one individual in respect of property lost or damaged whilst on the Insured's premises.

Limitations Clause

The Company's liability under column 4 of the schedule is restricted in respect of

- (a) money and stamps
- (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.

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.

Architect's and Other Professional Fees Clause

The insurance under columns 1, 2 and 4 of the schedule includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 15 percent 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.

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 other than stock and materials in trade for an amount not exceeding 15 percent of the sum insured thereon, it being understood that the Insured undertake to advise the Company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

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 buildings and machinery and/or the removal of debris (including stock debris), trees and silt 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

1. Incurred in removing debris, trees or silt except from the site of such property destroyed or damaged and, in the area, not exceeding 10 meters from such property.
2. Arising from pollution or contamination of property not insured by this Policy/Section.

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.

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.

Municipal Plans Scrutiny Fee Clause

The insurance under columns 1/2 of the schedule includes municipal plans scrutiny fee, provided that the total amount recoverable under any item shall not exceed the sum insured on the building affected.

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, municipal or other local authority provided that:

1. the amount recoverable under this clause shall not include
 - (a) the cost incurred in complying with any of the aforesaid regulations
 - (i) in respect of damage occurring prior to granting of this clause
 - (ii) in respect of damage not insured under this section
2. the work of repairing or rebuilding must be commenced and carried out with reasonable dispatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this clause not being thereby increased
3. if the liability of the Company under any item of this section apart from this clause shall be reduced by the application of any of the terms; exceptions and conditions of this section; then the liability of the Company under this clause in respect of any such item shall be reduced in like proportion.
4. the total amount recoverable under any item of this section shall not exceed the sum insured thereby

Railway and Other Subrogation Clause

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

Reinstatement Value Conditions Clause

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

provided that:

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made
2. until expenditure has been incurred by the Insured in replacing or reinstating the property the Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein
3. if at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property 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.
4. these conditions shall be without force or effect if
 - (a) the Insured fail to intimate to the Company within six months of the date of damage or such further time as the Company may in writing allow their intention to replace or reinstate the property
 - (b) the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

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

1. proviso 1, 2, 3 and 4 of the Reinstatement Value Conditions apply equally to this clause
2. in applying the provisions of proviso 3 of the reinstatement value conditions, the cost (as provided for in proviso 3) which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged will be increased by such amount payable under 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.

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.

Temporary Removal Clause

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

Provided that:

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

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 percent of the sum or sums insured thereon; subject to the following specific conditions

Seasonal Increase of Stock

The sum insured for stock in trade will be automatically increased by 10% during recognised school holidays and long weekends, as determined by the official school calendar.

FIRE

Smoke Damage to Stock

This policy includes cover for loss or damage to food stock owned by the Insured that is condemned and destroyed by order of a competent authority, due to smoke penetration from any source other than fire occurring at or on the Insured's premises.

Specific Conditions

1. (a) the Insured shall declare to the Company in writing the market value of their stock and materials in trade on the last day of each month/quarter (as stated in the schedule) and shall make such declaration within 30 days thereof, otherwise they shall be deemed to have declared the sum insured on such property as the market value thereof
- (b) after 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 per cent of the provisional premium
2. any claim hereunder shall be settled on the basis of the market value immediately anterior to the damage
3. if after the occurrence of damage, it is found that the amount of the last declaration is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said declaration bears to the amount that ought to have been declared or to the sum insured, whichever is the lesser amount. The provisions of this condition shall, if applicable, operate cumulatively with the provisions of the specific condition relating to average
4. in consideration of the insurance not being reduced by the amount of any loss the Insured shall pay additional premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment premium
5. the liability of the Company shall not exceed the sum insured and premium shall not be receivable on values in excess thereof
6. the above specific conditions shall apply separately to each item of the specification to which these stock declaration conditions apply.

Public Supply Connections Clause

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

Escalator Clause Extension (if stated in schedule to be included)

During each period of insurance, the sum(s) insured under columns 1 and/or 4 of this section shall be increased by that portion of the percentage specified in the schedule which 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.

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.

Builders Risk Clause

Where the premises will be subjected to alteration, extension, modification, redecoration, refurbishment, or renovation, whether by independent contractors or by the insured's own employees, the Insured must approach the Company for acceptance of any material changes in the risk and the continuation of cover with full details of the scope of works and the contract period at least 60 days before such works commence.

1. Loss or damage by theft shall be suspended;
2. Loss of or damage to glass shall be excluded;

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 is suspended, unless the Underwriters have been notified of this and it has been accepted by the Underwriters in writing.

Fatal Injury Extension

The cover granted by this Section includes fatal injury to the persons named in the Schedule sustained whilst on the Insured's premises and occasioned by fire. Provided that a fire brigade attends or is summoned and provided further that death ensues within three months of such injury, the Company will pay to the executors or administrators of the deceased's estate the amount stated in the schedule.

External Signs, Blinds and Canopies Extension

The insurance granted by this Section includes loss of or damage to fixed external signs, blinds and canopies of the Insured or for which the Insured is responsible.

Damage to Landscaped Gardens, Water Features and Statues Extension

The insurance 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 the Premises as a result of the operation of an Insured Event.

Cost of Reinstating Landscaped Gardens, Water Features and Statues

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 Defined Events 1. to 6 and 8 and 9. of sub section A (property) Perils applicable provided that

1. the limit of indemnity shall not exceed the sum insured shown in the schedule.
2. the Insured shall be responsible for the first amount payable stated in the schedule.

Contamination and Pollution of Fish Stocks Extension

This section is extended to include the 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

1. the sum insured shall not exceed the amount stated in the schedule
2. the Insured shall be responsible for the first amount payable stated in the schedule
3. the Company will not be responsible for any claim where the death of the fish arises as a result of disease or sickness.

Damage to Contents by Wild Animals, Baboons and Monkeys Extension

This section extends to include loss of or damage to contents as a result of the acts of wild animals, baboons and monkeys provided that

1. the sum insured shall not exceed the amount stated in the schedule
2. the Insured shall be responsible for the first amount payable stated in the schedule

Chilled/refrigerated Stock Extension (not applicable if the Deterioration of Stock Section has been selected)

The insurance granted by this Section extends to cover loss or damage to Stock (whether specifically insured under column 5 or not) in refrigeration and cooling units at the Premises by deterioration or putrefaction caused by:

1. a change in temperature resulting from:
 - (a) failure of the unit or non-operation (from any inherent cause) of any thermostatic device controlling the plant or failure of the wiring between the starting switch or plug and the driving motor
 - (b) failure of the public supply of electricity and/or gas at the terminal ends of the supply authority's device feeders to the Premises
 - (c) the wrongful setting of any thermostatic device, including the accidental switching off of the supply controlling the plant
 2. the action of refrigerant fumes which have escaped from the unit
 3. Defined events 1. to 8.
- 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

- (ii) consequential loss

Discharge of Weapons Extension

The cover granted by this Section includes damage to contents and stocks caused by the discharge of weapons during an armed robbery.

Removal of Bees, Wasps, Hornets, Vermin & Pests Extension

This Section includes costs and expenses necessarily and reasonably incurred in removing bees, wasps, hornets, vermin, pests and nests from the insured premises, as well as the treatment of vacated hive/nest areas to prevent re-occupation.

Provided always that:

- a) the removal will be carried out by a registered service provider
- b) the Insurers will not be liable for the costs of removing hives/nests already on the premises before the inception of this Policy

Power Surge Extension

This section extends to include loss of or damage to contents as a result of fluctuations in the power supply resulting in surges provided that

1. the sum insured shall not exceed the amount stated in the schedule.
2. the Insured shall be responsible for the first amount payable stated in the schedule
3. SANS approved power surge arrestors must be installed at the insured premises on all electrical distribution boards, the power supply units of electronic distribution boards, data lines, other telecommunication lines and electrical wall sockets.

Damage Caused by Guests Extension

This Section is extended to provide cover for loss of or damage to buildings and contents arising from the actions of guests or visitors provided that the sum insured shall not exceed the amount stated in the schedule.

Impact – Cost of removal of animal, trees, satellite dishes Extension

This Section is extended to include the reasonable costs incurred by the Insured for the removal and disposal of animals, trees, satellite dishes, or similar objects that have struck and caused damage to the Insured's property, provided that the sum insured shall not exceed the amount stated in the schedule.

Defined Events

1. Damage by the perils described
 - (a) in Subsection A to the buildings including all outbuildings thereto (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the schedule) and sporting and recreational structures, landlord's fixtures and fittings therein and thereon, walls (except dam walls), gates, posts, fences, and tarred or paved roads, (but excluding such roads where these cross watercourses), driveways, paths or parking areas.
 - (b) in Subsection B to public supply connections
situated as stated in the schedule.
2. Loss of rent as provided in Subsection C.
3. Legal liability as provided for in Subsection D.

Subsection A (Property) Perils Applicable

1. Fire, lighting, thunderbolt, subterranean fire, explosion (but specifically excluding power surge unaccompanied by lightning or thunderbolt)
2. Storm, wind, water, hail or snow other than
 - (a) that arising from its undergoing any process necessarily involving the use or application of water
 - (b) wear and tear or gradual deterioration
 - (c) loss or damage
 - (i) to retaining walls
 - (ii) caused or aggravated by
 - subsidence or landslip
 - the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage
3. Earthquake
4. Aircraft and other aerial devices or articles dropped therefrom
5. Impact by animals, trees, rocks, boulders, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes, vehicles or property in or on such vehicles
6. (a) Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building. 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 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.
- (b) Theft of underground cables
The Company will pay any damage or loss caused by theft of underground cables from the Insured's property providing that our liability will not exceed shall not exceed the amount stated in the Schedule in any one annual period of insurance (unless otherwise stated in the schedule)
7. Accidental damage to sanitaryware, including all bathroom fixtures and fittings
8. 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.
9. Bursting, overflowing or escape of water or oil from tanks, apparatus or pipes including any fixed water or oil-fired heating installation including damage to such tanks, apparatus or pipes but excluding damage as a result of wear and tear and gradual deterioration. Fixed water heating installations such as geysers will be limited to limits reflected in the schedule

Specific Condition (not applicable to no 7 on previous page)**Average**

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.

Subsection B (Public Supply Connections)

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

Subsection C (Rent)

Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable but only for the period necessary for reinstatement and for an amount not exceeding 25 per cent of the sum insured on the affected property. The basis of calculation shall be the rent payable immediately preceding the damage.

Subsection D (Liability) – not applicable if section 13 Public Liability is in operation

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 stated in the Schedule.

Specific Exceptions (applicable to Subsection D)

The Company will not indemnify the Insured under this subsection 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 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, Namibia, Botswana, Lesotho and Swaziland
- (b) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in 6(a) above.

Memoranda to Subsection D

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

2. Provided that the aggregate liability of the Company is not increased beyond the limit of indemnity stated, the Company will also indemnify as though a separate Policy had been issued to each
 - (a) in the event of the death of the Insured any personal representative of the Insured in respect of liability incurred by the Insured
 - (b) any partner 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 subsection only, general exception 1 is deleted and replaced by the following:

This subsection 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 subsection, indemnity is also provided under any other insurance, this subsection shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by such other insurance.

Clauses and Extensions

Subsidence and Landslip Extension to Subsection A (if stated in the schedule to be included)

The following peril is added to the perils applicable to Subsection A

10. Damage caused by subsidence or landslip

For the purposes hereof, any damage insured shall be deemed to have been caused by fire

provided that this extension does not cover

10.1 damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured

10.2 damage caused by or attributable to

- (a) faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises
- (b) workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises
- (c) excavation on or under land other than excavations in the course of mining operations

10.3 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 extensions, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured

Prevention of Access extension To Subsection C

If property within a 10km radius of the premises stated in the schedule is lost or damaged by a peril defined in Subsection A during the period of insurance and this prevents the use of or access to the property insured by this section, the Company will pay any loss of rent the Insured may incur as a result thereof up to an amount not exceeding 25 per cent of the sum insured on the affected property. The loss of rent calculation will be based on the rent payable immediately preceding the loss or damage or its equivalent rental value.

Security Firms (applicable to Subsection D – Liability)

Notwithstanding specific exception 3, if in terms of a contract with a security firm engaged in the course of the Insured's business (as owner of the premises specified in the schedule) to protect the Insured's property at the premises stated in the schedule, the Insured becomes legally liable for the acts or omissions of the employees of the security firm in the course of their employment at these premises, then this subsection includes such legal liability to the extent that indemnity would have been granted under this subsection had the said employees been under a contract service to the Insured and not the security firm, but not exceed the limit of liability stated in the schedule for this subsection.

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

Architects' and Other Professional Fees Clause

The insurance under Subsection 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 15 per cent 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.

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 per cent 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.

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

1. 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.
2. arising from pollution or contamination of property not insured by this Policy/Section.

Costs of Removing Debris, Trees and Silt Clause. (if stated in the schedule to be included)

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 provided that

1. the sum insured of this clause shall not exceed the amount stated in the schedule.
2. the insured shall be responsible for the first amount payable stated in the schedule.

Damage to Buildings by Wild Animals, Baboons and Monkeys Extension

This section extends to include loss of or damage to buildings as a result of the acts of wild animals provided that

1. the sum insured shall not exceed the amount stated in the schedule.
2. the Insured shall be responsible for the first amount payable stated in the schedule.

Leakage Extension – First Loss Limit

Damage caused by discharge or leakage from fire extinguishing installations or appliances. This policy includes cover for loss or damage caused by the accidental discharge or leakage of fire extinguishing installations or appliances. In the case of sprinkler system installations, cover is subject to the system being an approved and compliant sprinkler installation in accordance with relevant regulatory and industry standards.

The limit shown on the schedule 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 ratable share of the loss accordingly. Every item, if more than one, to which this extension applies shall be separately subject to this clause

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.

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

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made
2. Until expenditure has been incurred by the Insured in replacing or reinstating the property the Company shall not be liable for any payment more than the amount which would have been payable if these conditions had not been incorporated herein
3. if at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property 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
4. these conditions shall be without force or affect it
 - (a) the Insured fails to intimate the Company within six months of the date of damage or such further time as the Company may in writing allow their intention to replace or reinstate the property
 - (b) the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

Temporary Removal Clause

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

Tenants Clause

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

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:

1. Loss or damage by theft shall be suspended
2. Loss of or damage to glass shall be excluded.
3. An additional cumulative first amount payable of 5% of the claim, subject to a minimum of R 2,500 shall be payable in respect of every occurrence, giving rise to a claim.

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 is suspended unless the Underwriters have been notified in writing

Escalator Clause Extension (if stated in the schedule to be included)

During each period of insurance, the sum(s) insured under Subsection 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

Riot and Strike Extension (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein Subsections A, B and C of this section are 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 (1) 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 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.

Fatal Injury Extension

The cover granted by this Section includes fatal injury to the person named in the Schedule sustained whilst on the Insured's premises and occasioned by fire. Provide that a fire brigade attends or is summoned and provided further that death ensues within three months of such injury, the Company will pay to the executors or administrators of the deceased the sum of R15 000.

External Signs, Blinds and Canopies Extension

The insurance granted by this Section includes loss of or damage to fixed external signs, blinds and canopies of the Insured or for which the Insured is responsible..

Damage to Landscaped Gardens, Water Features and Statues by Emergency Services Extension

The insurance 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 the Premises as a result of the operation of an Insured Event.

Cost of Reinstating Landscaped Gardens, Water Features and Statues

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 Defined Events 1.to 6 and 8 and 9. of sub section A (property) Perils applicable provided that

1. the limit of indemnity shall not exceed the sum insured shown in the schedule.
2. the Insured shall be responsible for the first amount payable stated in the schedule.

Discharge of Weapons Extension

The cover granted by this Section includes damage to buildings caused by the discharge of weapons during an armed robbery, provided that the Company's liability in respect of loss or damage shall not exceed sum insured shown in the schedule.

Impact – Cost of removal of animal, trees, satellite dishes Extension

This Section is extended to include the reasonable costs incurred by the Insured for the removal and disposal of animals, trees, satellite dishes, or similar objects that have struck and caused damage to the Insured's property, provided that the sum insured shall not exceed the amount stated in the schedule.

Theft of External Fixtures and Fittings (if stated in the schedule to be included)

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 on the premises of the Insured provided that

1. the maximum amount payable by the Company shall not exceed R 10 000 any one event and R 25 000 any one period of insurance.
2. the Insured shall be responsible for the first 10% subject to a minimum of R 1 000 of each event giving rise to a claim
3. 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.

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 property insured was in danger from the fire.

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.

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.

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

1. the amount recoverable under this clause shall not include
 - (a) the cost incurred in complying with any of the aforesaid regulations
 - (i) in respect of damage occurring prior to granting of this clause
 - (ii) in respect of damage not insured by this section
 - (iii) under which notice has been served upon the Insured prior to the happening of the damage
 - (iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged
 - (b) the additional cost that would have been required to make good the property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen

- (c) the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations
2. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this clause not being thereby increased
3. if the liability of the Company under any item of this section apart from this clause shall be reduced by the application of any of the terms, exceptions and conditions of this section then the liability of the Company under this clause in respect of any such item shall be reduced in like proportion
4. the total amount recoverable under any item of this section shall not exceed the sum insured thereby.

Removal of Bees, Wasps, Hornets, Vermin & Pests Extension

This Section includes costs and expenses necessarily and reasonably incurred in removing bees, wasps, hornets, vermin, pests and nests from the insured premises, as well as the treatment of vacated hive/nest areas to prevent re-occupation.

Provided always that:

- a) the removal will be carried out by a registered service provider
- b) the Insurers will not be liable for the costs of removing hives/nests already on the premises before the inception of this Policy

LOSS OF WATER

When water is lost through leakage from pipes in any unit or on the common property, where the insured is responsible to pay the charge for such water, the company will compensate the insured when the quarterly reading of water consumption exceeds the average of the previous four normal quarterly readings by 50% or more. The insured's cover is as follows:

- (i) the company will pay for the cost of the additional water consumed, up to R5 000, or such higher amount stated in the schedule, less the first amount payable by the insured of 10% of the claim minimum R750.
- (ii) cover is provided for no more than 3 separate incidences in any 12 months period of insurance.

it is a condition precedent to liability under this extension that the insured will upon discovery of a leak (by physical evidence or on receipt of abnormally high-water account) take immediate steps to repair the pipe(s) affected, as a result of leaking taps, geysers, toilet systems, swimming pools and storage tanks as a result of a leaking inlet or outlet pipe of a swimming pool, whilst a unit is unoccupied for more than 30 consecutive days for cost of refilling of swimming or other pools or ponds whether following leakage or otherwise.

This extension does not cover the cost of rectifying leaks or repairing the pipe(s) affected and we do not cover water loss



Defined events

1. Loss of or damage to the contents (other than documents as defined in Subsection C if insured thereunder and computer equipment and all related hardware and software 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 (but excluding cell phones, palmtops, blackberry and the like) 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 Subsection A.
2. Loss of or damage to the whole or part of the property described in item C of the schedule in terms of Subsection C and the consequences thereof insured under item D and described in Subsection D.
3. Loss and/or expenditure described in Subsections B and E.

Subsection A (Contents) Perils Applicable

1. Fire, lightning, thunderbolt, subterranean fire, explosion. (but specifically excluding power surge unaccompanied by lightning or thunderbolt)
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, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, 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 Subsections A, B and C) 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.

Provided that this does not cover:

- (a) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured:
- (b) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (c) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (d) loss or damage related to or caused by any occurrence referred to in General Exception 1 (A) (i), (ii), (iii), (iv), (v) 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**UNDERWRITING MANAGERS (PTY) LTD**

The Company's liability under this subsection 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 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.

Subsection B (Rent)

Loss of rent actually incurred by the Insured in consequence of the office premises or portion thereof being so damaged by any of the perils specified in Subsection A as to be rendered uninhabitable but only in respect of the period necessary for reinstatement. The indemnity under this subsection shall not exceed 25 per cent of the sum insured or value (whichever is the lower) of all contents of the office premises affected.

For the purpose of this subsection the term office premises shall be deemed to extend to any premises or portion thereof in the vicinity of the office premises, damage to which prevents or limits access to the office premises.

Subsection C (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 subsection is limited to all costs, charges and expenses incurred by the Insured in replacing or restoring such documents.

Specific Exceptions (applicable to Subsection A)

This subsection does not cover

- (a) property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi
- (b) designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of Subsection A), stock in trade, samples, motor vehicles and accessories therefore, money, securities, stamps, jewellery or precious stones.
- (c) 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).
- (d) Cellular telephones, laptops or other portable type computers, the property of any partner, director or employee of the insured
- (e) Loss of or damage to property resulting from or caused by inherent vice or defect, termites, moths, vermin, insects and / or pests.

Specific Exception (applicable to Subsection C)

This subsection does not cover

- (a) loss or damage caused by
 - (i) electronic or magnetic injury, disturbance or erasure of electronic or magnetic recordings except by lightning
 - (ii) vermin or inherent defect or by processing, copying or other work upon the documents
 - (iii) the dishonesty of any partner in or of or director of the Insured whether acting alone or in collusion with the 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
 - (iv) loss or damage to documents kept at the office premises by any peril not specifically excluded
- (b) gradual deterioration or wear and tear.
- (c) costs involved in re-shooting films and videos and re-recording audiotapes.

Subsection D (Legal Liability Documents)

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

Specific Exception (applicable to Subsection D)

This subsection 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.

Subsection E Increase in Cost of Working

Any additional expenditure not otherwise provided for in this section reasonably incurred by the Insured for the purposes of maintaining the normal operation of the business in consequence of loss or damage in respect of which payment, reinstatement or repair has been made or liability there for admitted by the Company under Subsections A or C.

The indemnity under this subsection shall not exceed 25 per cent of the sum insured on all contents of the office premises affected.

Clauses and Extensions

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.

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 per cent 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

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.

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

- (i) the Company's liability shall not exceed R10 000 in respect of any one event.
- (ii) the Company shall not be liable for the first R500 of each and every event.

New and Additional Premises Clause

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

- 1. 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
- 2. this clause shall not apply to any loss if and so far as the same is otherwise insured.

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

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

Temporary Removal Clause

Except in respect of the personal property of any partner in or of 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, Swaziland, Zimbabwe and Malawi shall be deemed to be loss or damage happening while such property is contained in the office premises.

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.

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.

Replacement Value Condition

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

the replacement of the contents by similar property in a condition equal to but not better or more extensive than its condition when new

or

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

provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the contents had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the time of the 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.

Riot and Strike Extension (if stated in the schedule to be included)

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

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

provided that this extension does not cover:

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

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

Memorandum

In respect of Subsection D only, General exception 1 is deleted and replaced by the following:

This subsection 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 Subsection A (Contents)

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 linked to an armed response facility has been installed in the insured premises by an approved SAIDSA 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.
- (d) This insurance shall not cover loss or damage to the property following the use of keys/card key have been obtained by violence or threat of violence to any person.

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:

- (i) defined events 1 to 8 of the fire section of this Policy
- (ii) the buildings combined section of this Policy
- (iii) the office contents section of this Policy
- (iv) the theft section of this Policy
- (v) the glass section of this policy
- (vi) the money section of this policy
- (vii) the goods in transit section of this Policy
- (viii) the computer section of this policy but only in respect of perils insured under the fire section of this policy (hereinafter termed Damage)
- (ix) any other material damage insurance covering the interest of the Insured but only in respect of perils insured under the fire section thereof (hereinafter termed Damage)
- (x) defined event (l) 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.

Specific Conditions

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

Item 1 Gross Profit (Difference Basis)

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

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

and the amount payable as indemnity hereunder shall be

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

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

Item 1 Gross Profit (Additions Basis)

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

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

and the amount payable as indemnity hereunder shall be

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

the reduction thereby avoided

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

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

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

and the amount payable as indemnity hereunder shall be

- (a) **in respect of loss of gross rentals** the amount by which the gross rentals during the indemnity period shall in consequence of the Damage fall short of the standard gross rentals.
- (b) **In respect of increase in cost of working** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of 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

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

and the amount payable as indemnity hereunder shall be

- (a) **in respect of loss of revenue** the amount by which the revenue during the indemnity period shall in consequence of the Damage fall short of the standard revenue
- (b) **in respect of increase in cost of working** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of 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 revenue rentals where the maximum indemnity period is 12 months or less or the appropriate multiple of the annual revenue rentals 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.

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 in the schedule (the words and expressions used shall have the meaning usually attached to them in the books and accounts of the Insured)

Standard Turnover

Standard Revenue

Standard Gross Rentals. The turnover (revenue) (gross rentals) during that period in the twelve months immediately before the date of the Damage which corresponds with the indemnity period

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

Annual Turnover

Annual Revenue

Annual Gross Rentals. The turnover (revenue) (gross rentals) during that period in the twelve months immediately before the date of 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.

Rate Of Gross Profit. The rate of gross profit earned on the turnover during the financial year immediately before the date of the 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**Franchise Fees Clause (If stated in the schedule to be included)**

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

- (i) 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;
- (ii) 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;

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.

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.

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 twelve), the amount payable shall be proportionately reduced.

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 per cent 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 twelve) during the financial year most nearly concurrent with any period of insurance being less or greater than 75 per cent of the sum insured thereon, a pro rata return or additional premium not exceeding 33 and 1/3 per cent 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.

Output (Alternative Basis) Clause

At the option of the Insured the term output may be substituted for the term turnover and for the purposes of this section output shall mean the sale or transfer value, as shown in the Insured's books, of goods manufactured or processed by the Insured at the premises

provided that

- (a) only the meaning of output or the meaning of turnover shall be operative in connection with any one event resulting in interruption
- (b) if the meaning of output be used
 - (i) the accumulated stocks clause shall be inoperative
 - (ii) the memo at the end of the definitions shall read

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

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.

Extensions to Other Premises

Loss as insured by this section resulting from interruption of or interference with 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 suppliers and sub-contractors specified in the schedule subject to stated limits

- (b) **Unspecified Suppliers (if stated in the schedule to be included)**

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

- (c) **Storage, Transit and Vehicle**

property of the Insured 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 the use of the premises or access thereto, whether the premises or property of the Insured therein shall be damaged or not

- (f) **Prevention of Access – Extended Cover (if stated in the schedule to be included)**

property within a 50km radius of the premises, destruction of or damage to which shall prevent the use of the premises or access thereto, whether the premises or property of the Insured therein shall be damaged or not

- (g) **Additional premises**

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

- (h) **Public Utilities – Insured perils Only (if stated in the schedule to be included)**

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.

- (i) **Public Telecommunications – Insured Perils Only (if stated in the schedule to be included)**

- (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)

The Geographical Limits of

(b), (c), (d), (e), (f), (h), (i) and (j) of the extensions to other premises and the extended covers for public telecommunications and public utilities are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

(g) of the extensions to other premises is confined to the Republic of South Africa and Namibia.

Pollution / Shark Attack / Additional Interruption Extension

Loss as insured by this Section resulting in interruption or interference with the Business due to:

- (a) murder or suicide occurring at the Premises
- (b) armed robbery, malicious and terrorist activities (whether actual or hoax) occurring at the insured Premises
- (c) food or drink poisoning at the Premises or attributable to food or drink supplied from the Premises
- (d) closure of the Premises due to defective sanitation, vermin or pests on the order of the competent local authority
- (e) summons to appear in court as a witness by the Insured or any of the Insured's directors, partners or employees
- (f) chemical or oil pollution of beaches, rivers or waterways within a radius of 50 kilometres of the Premises
- (g) shark attack or attack by wild game including hippopotamus, rhinoceros, lion, leopard, cheetah, crocodile, buffalo and elephant within a radius of 50 kilometres of the Premises

Notwithstanding the indemnity period reflected in the schedule, the Company will not be responsible for more than the limit reflected in the schedule any one event iro Pollution / Shark Attack / Additional Interruption Extension.

Loss of Specified Tourist Attraction or Key Tenant Extension (if stated in the schedule to be included)

Loss as insured by this Section of the Tourist Attraction or Key Tenant specified in the schedule resulting in interruption with the Business due to prevention of access to or damage to the tourist attraction or key tenant 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.

Bush Fire/Loss of Game Extension

Loss as insured by this Section resulting in interruption with the Business due to prevention of access to the Premises as a result of a bush fire or the death by such fire of hippopotamus, rhinoceros, lion, leopard, cheetah, crocodile, buffalo and elephant.

Loss of Liquor Licence Extension**Definitions**

Licence means the licence granted for the retail sale of excisable liquors at the Premises.

Insured for the purposes of this Section the term 'Insured' includes the Licence holder.

The Cover

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

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

1. The Insured shall give notice in writing to the Company immediately the Insured becomes aware of any:
 - (a) complaint against the control of the Premises
 - (b) 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
 - (c) change in the tenancy or management of the Premises
 - (d) transfer or proposed transfer of the Licence
 - (e) alteration in the purpose for which the Premises are used
 - (f) 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.

2. 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.
3. 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.

Ventilation Failure Extension

Loss as insured by this section resulting from interruption with the business as a result of the failure of any ventilation system which controls the cooling or heating requirements of the Insured's premises.

Provided that 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.

Auxiliary Power Failure Extension

Loss as insured by this section resulting from interruption or interference with 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 and failure to test such equipment on a weekly basis
- (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.

Loss of Aesthetic Appeal

Loss as insured by the policy resulting from interruption of or interference with the Business in consequence of damage to property forming part of, or contained within, the complex of which the premises forms 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 3 months.

Bomb 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 Bomb-Scare provided that:

- (a) such use of or access to the premises is prevented on the order of the South African Police Services

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 in respect of such franchise fees.

Bilking

This extension provides coverage for direct financial losses incurred by the insured premises due to guests failing to settle their accounts.

Coverage is specifically limited to the outstanding value of a guest's account that remains unpaid upon their final departure from the insured premises. This does not extend to cover general bad debts where no fraudulent intent or immediate departure without settlement is involved.

This coverage extends to include instances where accounts are settled using fraudulent credit cards or through other deceitful payment methods. This aspect of the cover is strictly contingent on the fraudulent transaction being discovered and reported within 48 hours of its processing. It explicitly excludes any compensation for lost reservations or any other forms of indirect or consequential financial loss arising from such incidents.

Loss Limits as reflected in the schedule

Defined Events

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:

- (a) 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
- (b) 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

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

- (a) the difference between
 - (i) the outstanding debit balances and
 - (ii) the total of the amounts received or traced in respect thereofplus
- (b) 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

- (a) bad debts
- (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the damage) to customers' accounts in the period between the date to which said last statement relates and the date of the damage and
- (c) any abnormal condition of trade which had or could have had a material effect on the business so that the figures thus adjusted shall represent as 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 per cent of the sum insured, the premium will be adjusted as follows

On the expiry of each period of insurance the actual premium shall be calculated at the rate per cent per annum on the average amount insured, i.e. the total of the sums declared divided by the number of declarations. If the actual premium is greater than the provisional premium, the Insured shall pay the difference. If it is less, the difference shall be repaid to the Insured, but such repayment shall not exceed 33,3 per cent of the provisional premium paid.

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

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

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

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

Provided that this extension does not cover:

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

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

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.

Duplicate records (if stated in the schedule to be included)

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

Protections (if stated in the schedule to be included)

The Insured's books of account or other business books or records containing details of outstanding balances, must be kept in a fire resistant safe, cabinet or strongroom outside normal business hours unless they are being worked on or are required for immediate reference.

Transit extension (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.

THEFT**Defined Events**

Loss of or damage to all contents, (the property of the Insured or for which they are responsible, but specifically excluding employees personal effects, goods in the open, money and/or other property of guests and cell phones) of any building at the insured premises described in the schedule as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft (or any attempt thereat) following violence or threat of violence.

Extensions

1. The insurance under this section extends to cover loss of or damage to the property insured
 - (a) caused or accompanied by
 - (i) a thief or thieves being concealed upon the insured premises before close of business
 - (ii) entry to and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding duplicate key and electronic access cards) provided that the Insured shall establish to the satisfaction of the Company that a skeleton key and electronic access cards or device was used
 - (b) at any additional premises used by the Insured provided that
 - (i) such additional premises are devised 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 (Increased Buildings Limit)
 - (i) 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
 - (ii) loss of buildings, landlord's fixtures and fittings at the insured premises as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat following violence or threat of violence.
 - (iii) 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 the amount stated in the schedule in respect of any one event.

3. In addition to the limit of indemnity stated in the schedule to the Company will indemnify the Insured in respect of the cost of replacing locks and keys to any insured premises following upon the disappearance of any key, electronic access cards or remote control 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 and electronic access cards

Provided that

- (i) the Company's liability shall not exceed shall not exceed the amount stated in the policy schedule in respect of any one event
- (ii) the Company shall not be liable for the first amount payable reflected in the policy schedule

EMPLOYEES/DIRECTORS PERSONAL PROPERTY

4. The term all contents includes personal effects (but specifically excluding cellular telephones, portable computers and the like), 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 up to an amount reflected in the schedule in the case of any one person.

5. Fatal injury extension

Fatal injury to the person named in the Schedule sustained whilst on the Insured's premises and occasioned by outward and visible violence caused by burglars and housebreakers. Provided death ensues within three months of such injury, the Company will pay to the executors or administrators of the deceased's estate the sum reflected in the schedule

6. Malicious damage theft extension

Subject to the specific exceptions and conditions, the following Defined Event is added:

"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 any theft or attempted theft accompanied by forcible and violent entry into or exit from such buildings."

The liability of the Company under this extension for any one event shall not exceed the amount shown in the schedule for this extension.

7. Guest / Customer theft extension

The insurance under this Section extends to include loss of or damage to guest/customers clothing and personal effects as a result of an armed hold-up 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 is in force at the time such loss or damage occurs.

Limitations

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

Specific Exceptions

The Company shall not be liable for

1. Loss or damage which can be insured under a fire policy except in the case of explosion caused in an attempt to effect entry
2. Loss or damage insurable under a glass insurance Policy
3. Property more specifically insured or, unless specified in the schedule, cash, bank and currency notes, postal orders, money orders, current negotiable stamps and documents or certificates of a negotiable nature
4. Loss or damage in which any member of the Insured's household is concerned as principal or accessory.
5. Loss or damage in which any of the Insured's employees is concerned as principal or accessory not discovered within 7 working days of the occurrence thereof

Memoranda

1. Loss of or damage to contents 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 the first amount payable reflected in the schedule
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 Conditions

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

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 linked to an armed response facility has been installed in the insured premises by an approved SAIDSA 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.
- (d) This insurance shall not cover loss of damage to the property following the use of keys/card keys of the alarm or any duplicate thereof belonging to the insured unless such keys/card key have been obtained by violence or threat of violence to any person.

Defined Events

Loss of or damage to money (as defined) occurring in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe and Malawi, except if otherwise specified

Provided that the liability of the Company for all loss or damage arising from all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the specific limitations stated in the schedule

Definitions

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

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

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

Extensions

1.1 Receptacles and Clothing

In addition to any payment in respect of a defined event the Company will indemnify the Insured of respect of receptacles and clothing (as defined) lost or damaged as a result of theft of money or any attempt thereat provided that the Company's liability under this extension shall not exceed the amount stated in the schedule.

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

provided that

- (i) the Company's liability shall not exceed the amount stated in the schedule in respect of any one event

3. 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:

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

Provided that this extension does not cover:

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

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

4. Fatal Injury Extension

The cover granted by this Section includes fatal injury to the person named in the Schedule sustained whilst on the Insured's premises as a result of theft of money or any attempt thereat. Providing that death ensues within three months of such injury, the Company will pay to the executors or administrators of the deceased, the amount stated in the schedule.

Specific Exceptions

The Company shall not be liable for loss of or damage to money

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 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 to money arising from dishonesty of any person or persons in the employ of the Insured as insured under this section shall be subject to the compulsory First Amount Payable reflected in the schedule
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.

Personal Accident (Assault) Extension

The term defined events in the money section shall be deemed to include bodily injury caused by accidental, violent, external and visible means as a result of theft of money to the Insured or to any partner in or of or any director or employee of the Insured (hereinafter in this extension referred to as such person) while such person is acting in the course of his duties in the Insured's employ.

The Company will pay to the Insured on behalf of such person or his estate the sum or sums stated in the schedule in the event of bodily injury to any such person resulting within twelve calendar months in

1. death	the capital sum of	R20 000
2. permanent disability	the percentage of the capital sum specified	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 disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training.....	100
(f) loss of four fingers	70
(g) loss of thumb	
both phalanges.....	25
one phalanx.....	10
(h) loss of index finger	
three phalanges	10
two phalanges.....	8
one phalanx	4
(i) loss of middle finger	
three phalanges	6
two phalanges.....	4
one phalanx	2
(j) loss of ring finger	
three phalanges	5
two phalanges.....	4
one phalanx	2
(k) loss of little finger	
three phalanges	4
two phalanges.....	3
one phalanx	2
(l) loss of metacarpals	
first or second (additional).....	3
third, fourth or fifth (additional).....	2
(m) loss of toes	
all on one foot.....	30
great, both phalanges	5
great, one phalanx.....	2
other than great, if more than one toe lost, each	
3. In the case of total and absolute incapacity from following usual business or occupation the weekly sum specified in the schedule shall be payable	
4. The reasonable expenses incurred, up to the sum specified in the schedule, shall be payable in respect of medical, surgical, dental, nursing home and hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bring such person to a place of safety) incurred within 24 months of the defined event	

Memoranda (applicable to Permanent Disablement Benefits)

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

provided that

- (i) the Company shall not be liable to pay in respect of any one such person more than the capital sum plus the sums specified under items 3 and 4
- (ii) the sum specified under item 3 shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain:

- (iii) compensation payable under item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4;
- (iv) this extension shall not apply to any such person under 15 or over 70 years of age;
- (v) after suffering bodily injury for which benefit may be payable under this extension, such person shall submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- (vi) General Exception 2 and General Condition 2 and 9 do not apply to this extension;
- (vii) in respect of this extension only, general exception 1 is deleted and replaced by the following:

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

Extensions to the Personal Accident (Assault) Extension

1. Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from such person being the victim of theft or any attempt thereat.
2. In the event of disappearance of any such person in circumstances which satisfy the Company that he has sustained injury to which this personal accident (assault) extension applies and that such injury has resulted in the death of such person, the Company will for the purpose 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. **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.

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

- (a) A radio siren alarm system linked to an armed response facility has been installed in the insured premises by an approved SAIDSA 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.
- (d) This insurance shall not cover loss of damage to the property following the use of keys/card key of the alarm or any duplicate thereof belonging to the insured unless such keys/card key have been obtained by violence or threat of violence to any person.

Defined Events

Loss of or damage to

Fixed internal and external glass (including fixed mirrors), signwriting and treatment thereon at the insured premises as stated in the schedule, the property of the Insured or for which they are responsible.

Following 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

- i. 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.
- ii. for all other costs and expenses provided for by this section and resulting from one occurrence or series of occurrences attributable to one source or original cause – in the aggregate the sum of 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.

Internal glass:

1. all internal fixed glass, sinks, wash basins, sanitary ware and mirrors whilst in the premises;
2. showcase frames, display cabinets and counter frames whilst in the premises.

External glass:

1. fixed external fixed glass forming part of the premises and any shatter-resistant or reflective film affixed to the glass;
2. ceramic tiled shop fronts.

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
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.
5. damage to solar panels.

Ovens and Display Fridges Extension

This extension covers loss of or damage to fixed glass forming part of an oven or display fridge owned by the Insured, or for which the Insured is responsible. Cover is limited to the sum insured stated in the schedule for any one occurrence and in the annual aggregate,

Optional Clauses & Extensions

Special replacement (if stated in the schedule to be included)

If, following loss or damage insured hereunder, the Insured is obliged in terms of the National Building Regulations or similar legislation to replace the damaged glass with glass of a superior quality, then the Company shall be liable for the increased cost of such replacement including (but not limited to) frames, provided that the Company shall not be liable for more than the sum insured stated in the schedule.

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:

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

Provided that this extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation; 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) (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.



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 staying on the Insured's premises), 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

- (i) (a) the Company is not liable for all losses which occurred more than twenty four months prior to discovery;
- (b) all losses are discovered not later than twelve months after the termination of
- (i) this section, or
- (ii) this section in respect of any insured employee concerned in a loss, or
- (iii) the employment of the insured employee or the last of the insured employees concerned in a loss whichever occurs first
- (ii) (a) **Blanket basis** – the liability of the Company for all losses shall not exceed the sum insured stated in the schedule whether involving any one employee or any number of employees acting in collusion or independently of each other;
- (b) **Named or position basis** – the liability of the Company for all losses involving any employee shall not exceed the sum insured stated opposite his 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;
- (iii) renewal of this insurance from period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the Company beyond the sum insured stated in the schedule: if the period of insurance is less than twelve months the Company's liability is limited to the sum stated in the schedule during any twelve month period of insurance calculated from inception or renewal
- (iv) the term "dishonest personal financial gain" shall not include gain by an employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

Definition

Employee shall mean

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

who the Insured has the right at all times to govern, control and direct in the performance of his 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
 - (i) manipulation of
 - (ii) input into
 - (iii) suppression of input into
 - (iv) destruction of
 - (v) 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.

Clauses And Extensions

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.

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.

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.

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

1. 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;
2. 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;
3. the amount payable under this extension shall not exceed the amount insured by this section or the amount insured by the superseded insurance whichever is the lesser;
4. in the event of the defined events involving one employee or any number of employees occurring during both the currency of this section and that of the superseded policy the maximum amount payable shall not exceed the amount insured by this section at the time of discovery of the defined events;
5. this extension will not apply to defined events which occurred more than the number of years stated in the schedule before inception of this section.
6. The Company 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

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

- (a) 2% of the aggregate of the sum insured under this section and the declared insurance or R60 000 whichever is the lesser plus
- (b) 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

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

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

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.

Costs of recovery extension (if stated in the schedule to be included)

If the Insured shall sustain any loss to which this section applies which exceeds the sum insured hereunder, the Company will, in addition to the sum insured, pay to the Insured costs and expenses not exceeding the amount stated in the schedule necessarily incurred with the consent of the Company (which consent shall not be unreasonably withheld) for the recovery or attempted recovery from the employee in regard to whom the claim is made, of that part of the loss which exceeds the sum insured hereunder. All amounts recovered by the Insured in excess of the said part of the loss shall be for the benefit of the Company.

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. (a) 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:

- control
- fraud, dishonesty and theft detection

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

1. proviso 1(a) of the defined events (which limits cover to that part of losses discovered within 24 months) and proviso 6 of the superseded insurance extension clause (if applicable) are deleted
2. if any defined event is discovered more than 12 months after it was committed, the percentages contained in the 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 2 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.

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 in caused by any accident of misfortune not otherwise excluded

provided that:

1. the Insured shall be responsible for the first amount payable stated in the schedule in respect of each and every defined event other than a claim arising from fire, lightning or explosion
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 of R1 000 or the limit stated in the schedule, whichever is the greater, in respect of any one defined event.

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

5. 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.

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

6. 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 resulting therefrom

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) detention, confiscation or requisition by customs or other officials or authorities;
 - (e) or arising whilst in transit by sea or inland transit incidental thereto;
 - (f) breakdown of refrigeration equipment.
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following and accident or misfortune not otherwise excluded.
3. Mechanical, electronic or electrical breakdown, failure, breakage or derangement of the insured property unless following and 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, Swaziland, 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.

1. Fire Extinguishing Charges Extension

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. 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:

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

Provided that this extension does not cover:

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

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

Defined Events

Loss of or damage to the whole or part of the property described in the schedule while any where in the world by any accident or misfortune not otherwise excluded

Provided that the Insured shall be responsible for the first amount payable stated in the schedule.

Specific Exceptions

The Company shall not be liable for

1. loss of or damage to property 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 boot or compartment of the vehicle or the vehicle itself is housed in a securely locked building and entry to such locked vehicle or building is accompanied by forcible and violent entry or exit.
 - (b) its undergoing a process of cleaning, repairing, dyeing, bleaching, alteration or restoring
 - (c) inherent vice or defect termites, moths, vermin, insects, pests, damp mildew or rust
 - (d) the dishonesty of any partner in or of director or employee of the Insured whether acting alone or in collusion with others
 - (e) detention, confiscation or requisition by customs or other officials or authorities.
2. wear and tear or gradual deterioration (including the gradual action of light or 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**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.

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.

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 linked to an armed response facility has been installed in the insured premises by an approved SAIDSA 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.
- (d) This insurance shall not cover loss of damage to the property following the use of keys/card key of the alarm or any duplicate thereof belonging to the insured unless such keys/card key have been obtained by violence or threat of violence to any person.

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:

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

Provided that this extension does not cover:

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

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

Cleaning or Dry cleaning of Guests' Effects

Notwithstanding Specific Exception 1 (b) the Company will indemnify the Insured for the loss or damage to guests' laundry whilst undergoing a process of cleaning or dry cleaning. The Company's liability **shall not exceed the limit shown on the schedule**

EMPLOYEES HOUSEHOLD GOODS AND PERSONAL AFFECTS

Where any item reflected on the schedule is described as unspecified, personal effects or the like, the property insured thereby will be deemed to be clothing (other than furs) and personal effects normally worn by, or designed to be carried by a person

Defined Events (I)

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

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

and

notwithstanding general condition 2, this section shall not be called into contribution for any defined event for which more specific insurance has been arranged.

Specific Exceptions

The Company shall not be liable for

- (a) any peril excluded or circumstance precluded from any other insurance available from the Company at inception hereof or for any excess payable by the Insured under such insurance, or for any reduction of amount payable under any claim due to the application of average
- (b) more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection
- (c) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process
- (d) unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information
- (e) loss of or damage to insured property caused by
 - (i) any fraudulent scheme, trick, device or false pretence practised on the Insured (or any person having custody of the insured property) or fraud or the dishonesty of any principal or agent of the Insured
 - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus
 - (iii) breakdown, electrical, electronic and/or mechanical derangement
 - (iv) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon
 - (v) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear
 - (vi) denting, chipping, scratching or cracking not affecting the operation of the item
 - (vii) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light
- (f) settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property
- (g)
 - (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container
 - (ii) loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gasses or fumes
- (h) failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant
- (i) collapse of plant and machinery, buildings and structures (other than shelving or storage platforms).

Definition**Insured property**

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

- (a) current coin (including Krugerrands and similar coins), bank and currency notes, 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
- (b) furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art
- (c) property in transit by air, inland waterway or sea
- (d) railway locomotives, rolling stock and other railway property, aircraft, watercraft, mechanically or electrically propelled vehicles, motor cycles, mobile plant, caravans and trailers
- (e) standing or felled trees, crops, animals, land (including topsoil, backfill, drainage and culverts), driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines (external to the premises), tunnels, cables (external to the premises), cableways, bridges, docks, jetties, wharves, piers, excavations, property below the ground or explosives

- (f) electronic data processing equipment and external data media (punch cards, tape discs and the like) and the information they contain
 - (g) property in the course of construction, erection or dismantling including materials or supplies related thereto
 - (h) property in the possession of customers under lease, rental, credit or suspensive sale agreements
 - (i) glass, china, earthenware, marble and other fragile or brittle objects
- unless stated in the schedule to be insured.

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

Accidental physical loss of or damage to the insured property caused by discharge or leakage from tanks, pipes or apparatus of chemicals, oils, liquids, fluids, 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.

Clauses and Extensions**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.

Additional costs clause

In respect of buildings, plant and machinery insured, the sum insured include

- (a) any costs incurred, due to the necessity to comply with building or other regulations of any public authority, in repair or reinstatement following an insured event, provided that such costs 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.

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.

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.

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

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.

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.

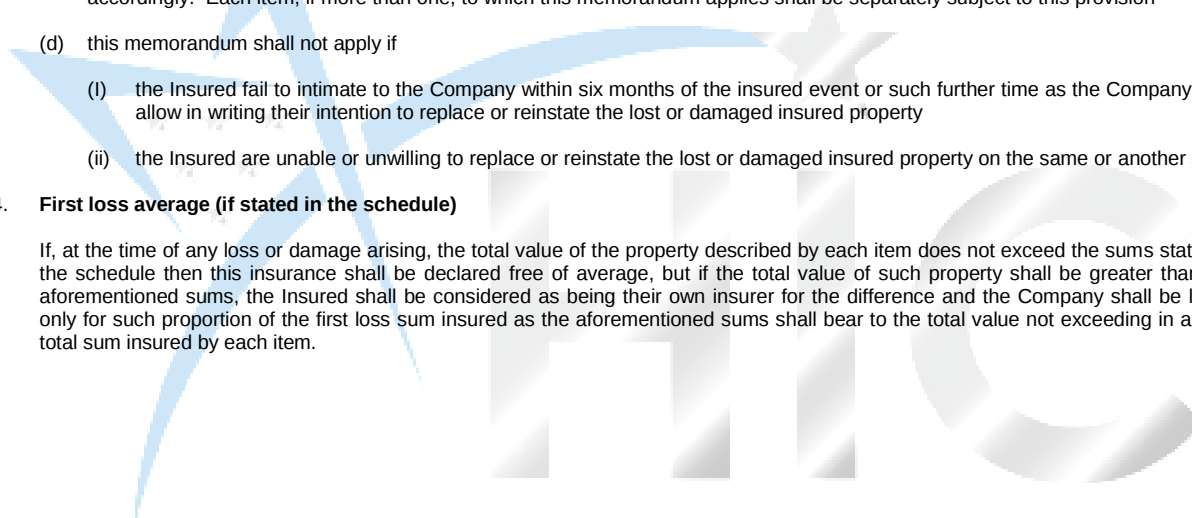
3. Reinstatement (if stated in the schedule to be included)

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. First loss average (if stated in the schedule)

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.



UNDERWRITING MANAGERS (PTY) LTD

DEFINED EVENTS

Damages which the Insured shall become legally liable to pay consequent upon Injury or Damage as hereinafter provided for in the elected insuring sub-sections and extensions which occurred in the course of or in connection with the Business within the Territorial Limits and on or after the Retroactive date shown in the schedule, and which results in a claim or claims first being made against the Insured in writing during the Period of Insurance.

DEFINITIONS

For the purpose of determining the indemnity granted by this section the following terms shall mean:

- 1. Damage**
Loss of possession or control of or damage to tangible property or wrongful interference with the enjoyment of rights or of access or other infringement of real or personal rights.
- 2. Injury**
Death, bodily injury, disease, illness of or to any person.
- 3. Product**
Any tangible property including containers and/or labels after it has left the custody or control of the insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the insured but not food and drink provided mainly to the Insured's Employees as a staff benefit.
- 4. Pollution**
The emission, discharge, release, dispersal, disposal, seepage, or escape of any liquid, solid, gaseous or thermal contaminants or irritants including vapour, smells, odours, humidity, fumes, smoke, soot or other airborne particulates, acids, alkalis, chemicals and waste, electromagnetic waves, noise, vibrations, light, electricity, changes in temperature radiation or other emission of effluent or noxious substances into or upon the soil, the atmosphere or any watercourse or body of water.
- 5. Vehicle**
Any self-propelled land vehicle (other than a pedal cycle or lawnmower or any pedestrian-controlled garden equipment) or trailer or semi-trailer or caravan, including any machinery or apparatus whilst attached thereto (whether or not subject to vehicle registration) including mobile equipment or locomotives and rolling stock.
- 6. Cost charges and expenses**
All costs, charges, fees and expenses incurred with the prior consent of the company other than as elsewhere insured under this section of the policy in respect of:
 - a. the investigation defence or settlement of any claim made against the insured and the costs of representation at any inquest, inquiry or accident inquiry or other proceedings in respect of matters which have a direct relevance to any claim made or which might be made against the insured, provided such claim or claims are the subject of indemnity by this policy;
 - b. preventative consultation arising from any circumstance notified to the company in respect of which no claim has been made or intimated;
 - c. such emergency medical treatment as may appear necessary in respect of injury which may form the subject of indemnity by this policy.
- 7. Employee**
Person/s employed under contract of service or apprenticeship with the Insured, any person engaged by or seconded to the Insured (including a volunteer worker) whilst performing any function for or on behalf of the Insured, or 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.
- 8. Negligent Gratuitous Advice (in relation to products) (if**
Incorrect or inadequate advice given in the course of the Business or the unintentional failure of the Insured to perform the legal duty or to exercise due care owed to another person or party in providing information of a technical nature (given in the promotion of the insured's products) provided such advice or information is not given in exchange for a fee.
- 9. Continuous exposure**
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 company cannot agree when the injury or damage occurred then:
 - a. injury shall be deemed to have occurred when the claimant first consulted a qualified medical practitioner in respect of such injury;
 - b. damage shall be deemed to have occurred when it first became evident to the claimant, even if the cause was unknown.
- 10. FUNGI**
Fungi shall mean any type or form of fungus including mould or mildew and any mycotoxins spores scents or by-products produced or released by fungi.
- 11. Notification extension**
Should the insured notify the company during the period of insurance in accordance with specific condition 1 of any specific event or circumstances which the company accepts may give rise to a claim or claims which form the subject of indemnity by this policy, then acceptance of such notification means that company will deal with such claim or claims which may later arise as if they had first been made against the insured during the period of insurance.

THE LIMITS OF INDEMNITY

The amount payable, inclusive of claimant or any number of claimants' costs and all other costs, fees and expenses and defence costs shall not exceed the indemnity limits stated in the schedule. The indemnity limit shall be the maximum amount of the company's liability in respect of all claims arising out of one original cause.

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

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 prior to the date of such alteration.

Indemnity to others

The indemnities granted shall extend to:

1. the estate, heirs, legal representative or assignees of the Insured in the event of death or legal incompetency of the Insured
2. 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 such indemnity;
3. any person who was or is or may hereafter be a director, officer, official or employee of the insured and/or consultants in their business in their capacity 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;
4. the officers, committee and members of the insured's canteen, social, sports, medical, fire fighting, security and welfare organisation and visiting sports teams and members thereof and the like in their respective capacities as such;
5. to any legal representative of the Insured in the event of the bankruptcy or insolvency of the Insured;
6. any contractor of the Insured or subcontractor of such contractor;

provided always that all such persons, parties or entities shall observe, fulfil and be subject to the terms, conditions and exceptions of this policy as though they were the insured.

GENERAL EXTENSIONS

It is understood and agreed that this policy extends to include the following, subject to the limits and first amounts payable specified in the schedule and subject to the terms, conditions and exceptions of the policy insofar as they can apply and provided that the total liability of the company is not increased beyond that which would have applied in the absence of such extensions.

Cross liabilities

The Company will indemnify each legal entity, person or party separately and not jointly, in respect of claims made against any of them by any other provided that the Company's total liability shall not exceed the applicable limit of Indemnity. The Company shall not exercise rights of recourse against any such entity.

Statutory defence costs

The company will indemnify the insured against legal costs, fees and expenses incurred with the consent of the company in respect of:

1. the preparation, investigation or representative and/or defence of any inquest or enquiry or criminal action brought against the insured as a result of an alleged breach of any statute governing the conduct of the business [other than any Statutes governing the ownership, possession, use or licensing of motor Vehicles, aircraft or watercraft, the relevant Labour Laws as promulgated in the Republic of South Africa from time to time, or the Companies Act No. 61 of 1973 (as amended from time to time)] and as read in conjunction with the Criminal Procedure Act No. 56 of 1955 (as amended from time to time), the Competition Act no. 89 of 1998 (as amended from time to time) or any similar provision, Act or regulation in force in any jurisdiction or country in which the insured's liability arose.]
2. the defence of any prosecution of the Insured or any Director or Employee of the Insured for breach of any statute.

Provided always that:-

1. no indemnity shall be granted for fines or penalties, punitive or exemplary damages imposed as a consequence of prosecution
2. in the case of an appeal, the company shall not indemnify the insured unless a senior counsel (to be agreed to by the company) shall advise that such appeal should be likely to succeed;
3. the liability limits of indemnity shall not exceed the amount stated in the schedule.

Wrongful arrest

The company will indemnify the insured in respect of claims arising out of wrongful arrest (as hereinafter defined) in respect of all damages, claimants' cost and expenses for which the Insured shall become liable to pay.

Provided always that:-

1. for the purposes of this extension, the terms "wrongful arrest" shall mean:-
 - a. assault and battery committed or alleged to have been committed at the time of making or attempting to make an arrest or in resisting an overt attempt to escape by a person under arrest before such person has been or could be placed in the custody of the police or a law enforcement officer
 - b. defamation, injuria, false imprisonment or malicious prosecution;
2. no indemnity shall be granted in respect of claims:-
 - a. made against the insured by any person or persons other than those being or having been or alleged to have been arrested or under arrest, or their personal representatives;
 - b. arising out of unfair labour practice as contemplated within the meaning of the relevant Labour Laws as promulgated in the Republic of South Africa from time to time.
3. that the liability limits of indemnity shall not exceed the amount stated in the schedule.

Defamation

The company will indemnify the insured in respect of claims arising out of defamatory statements, whether written or verbal, made by the insured.

Provided always that:-

1. no indemnity shall be granted in respect of claims:-
 - a. which form the subject of the wrongful arrest extension;
 - b. arising out of any publication in any journal, magazine or newspaper or on radio or television.
2. that the liability limits of indemnity shall not exceed the amount stated in the schedule.

Employers liability

This policy extends to include the insured's legal liability for claims arising out of injury to any Employee arising from and in the course of his employment.

Provided always that there is no cover provided in respect of:-

1. liability for claims arising from illness or disease or contributed to by prolonged exposure to substances, factors or circumstances peculiar to any particular employment or occupation;
2. amounts recoverable under any Act in terms of which any employee may claim compensation for work related injuries;
3. liability assumed by the insured by agreement unless such liability would have attached to the Insured in the absence of such agreement;
4. that the liability limits of indemnity shall not exceed the amount stated in the schedule.

Extended Reporting Option (May be exercised by the insured in the event of cancellation or non-renewal)

In the event of non-renewal of this section of this policy, at the option of the insured, any claim first made against the insured arising from any claim or circumstance of which notice is required to be given in terms of Specific condition 1, the company agrees that notice given within 36 months (hereinafter referred to as the extended reporting period) immediately following the expiry of this insurance shall be deemed to have been made on the last day preceding the expiry. Provided that:

1. this extension is subject to payment of an additional premium to be determined by the company;
2. this option may only be exercised in the event of the company cancelling or refusing to renew this policy;
3. the insured has not obtained insurance equal in scope and cover to this policy as expiring providing indemnity in respect of such claim;
4. the company shall only be liable for an insured event which occurred after the retroactive date but prior to the expiry of the period of insurance;
5. if the claimant is a minor this extended reporting period will continue until the expiry of 12 months after the attainment of majority by the claimant;
6. claims made or reported events 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;
7. this option must be exercised by the insured in writing within 30 days of cancellation or non-renewal;
8. once exercised, the option cannot be cancelled by either the insured or the company.

Acquisitions and new business

The indemnity granted by this policy extends to any company formed and/or acquired by the insured during the period of insurance for a period of 90 days of such information and/or acquisition.

Provided always that:-

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

Errors and Omissions (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in specific exception 3 (a) the Company will indemnify the Insured in respect of liabilities arising out of neglect, error or omission in the course of the business 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.

Vehicles and Their Contents

The Company will indemnify the Insured against all sums including law costs which the Insured may become legally liable to pay in respect of claims made by any visitor or guest at the Insured's premises for loss or damage to vehicles of any description, cycles, horses whilst left at any garage and/or parking place and/or stable in connection with and on the Insured's premises, including the contents of any such vehicle.

provided that:

- (a) where a garage or vehicle parking facilities are provided a suitable worded notice disclaiming liability for all loss or damage howsoever caused is conspicuously displayed in such garage or parking facilities
- (b) the limit of the Company's liability shall not exceed the amount stated in the schedule

Liability to Visitors or Guests

The indemnity provided herein extends to indemnify the Insured against all sums for which the Insured shall become legally liable for:

Loss of or damage to property of any visitor or guest other than:

- (i) animals or vehicles of any description or the contents of any such vehicle unless as provided for under the "Vehicles and their Contents" extension.
- (ii) jewellery, money or other valuables unless deposited with the Insured for safekeeping. (For the purpose of this extension only, where it can be proved by the Insured that the lost or damaged property was contained in a safe or similar lock up facility provided by the Insured at the time of loss or damage, such property will be deemed to have been handed to the Insured for safekeeping.)

occurring as a result of an accident in connection with the Insured's business at the Insured's premises.

Provided that

- (a) The Company's limit of liability shall not exceed the limits as stated in the schedule.
- (b) The Insured and/or liquor licence holder shall comply with the requirements of the Liquor Act No. 27 of 1989 or any amendment thereof as far as they relate to anything to be done or performed by the Insured or liquor licence holder.
- (c) The Company shall not be liable hereunder for the loss of property deposited with the Insured or licensee unless such property is kept in a locked safe or locked strong room.

Break out of Wild Animals Extension (If stated in the schedule to be included)

The indemnity provided herein will include claims arising out of forcible and violent break out by animals of the perimeter fences of the premises owned and/or leased by the Insured

Provided always that:

- (i) such perimeter fencing shall comply with the requirements of the National Park Board of any other authority governing the control of game parks and that the fences are regularly inspected and maintained in proper working order
- (ii) the total liability of the Company under this Extension shall not exceed the Indemnity Limit stated in the Schedule in respect of each claim or series of claims arising from any one originating cause
- (iii) the Company shall not be liable for the first amount payable stated in the schedule of each claim or series of claims arising out of one originating cause

Relocation Costs Extension (If stated in the schedule to be included)

The indemnity provided herein extends to include claims for all costs reasonably and necessarily incurred to recover and relocate animals to the original premises following a break out as defined in the break out of wild animals extension provided that:

- (i) The limit of indemnity shall not exceed the amount stated in the schedule
- (ii) The Insured shall be responsible for the first amount payable as stated in the schedule

Hunting Liability Extension (If stated in the schedule to be included)

The indemnity provided herein extends to indemnify the Insured against all sums for which the Insured may become legally liable as a result of hunting activities arranged by the insured on their property provided that:

- (i) Each hunter or group of hunters shall be under the guidance and control of a qualified game ranger or professional hunter employed by the Insured
- (ii) All visiting hunters have personally and individually signed a disclaimer (such disclaimer to be explained in detail to such individual) absolving the Insured from any liability as a result of such hunting activities
- (iii) The company's limit of indemnity shall not exceed the amount stated in the schedule
- (iv) The Insured shall be responsible for the first amount payable stated in the schedule

Spread of Fire Extension – Increased Limit (If stated in the schedule to be included)

The Company will indemnify the insured for all claims arising a result of the Spread Of Fire in terms of No. 101 of 1998 National Veld and Forest Fire Act 1998.

Provided that:

1. The limit of indemnity shall not exceed the amount stated in the schedule.
2. That any controlled burning undertaken by the insured will be done in compliance with the conditions laid out in terms of No. 101 National Veld and Forest Fire Act 1998.

Member-to-Member Liability Extension

The insurers will indemnify the insured in respect of loss of or damages to a member's personal property as a result of one member's negligence against another member.

But subject to the member's action being neither malicious, nor intentional or deliberate.

Emergency Medical Expenses

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

AFRICAN TERRITORIES

In respect the insured's operations in Africa outside of the Republic of South Africa, the indemnity provided by this section is limited to the difference between the scope of cover or the difference between the limit of indemnity provided by any insurer in the territory in which the operation is situated and the indemnity available in terms of this section.

Where this section responds in excess of indemnity provided in terms of such locally purchased liability insurance:-

1. the indemnity payable hereunder shall be only up to but not exceeding such further amount as would provide the maximum indemnity in terms of this section;
2. any decision of the underlying insurer to accept a claim "ex gratia" or "without prejudice" shall not be binding on the company;
3. no action or decision of the underlying insurer which prejudices the company in the conduct or settlement of any claim under this section shall be binding on the company.

If no insurance of the class insured in terms of this section is purchased locally, this section shall act as primary insurance subject to the first amount payable stipulated in the schedule provided that such cover will only apply:

1. to claims made against the insured during the period of Insurance; and
2. in respect of liability arising from any Injury, damage or event giving rise to pure financial loss (as provided for in coverage's providing for loss not related to physical damage to property) occurring or alleged to have occurred on or after the applicable retroactive date stated in the schedule.



SUB-SECTION A - PUBLIC LIABILITY**SUB-SECTION A - INDEMNITY**

The insured is indemnified by this sub-section in respect of injury or damage but not against claims for and/or arising out of:

1. Pollution
2. Any Product
3. Negligent Advice.

Sub-section A - Exclusions

This sub-section does not cover liability for claims arising out of:

1. the ownership possession or use by or on behalf of the insured of any vehicle, other than claims:
 - a. caused by the use of:
 1. any tool or plant forming part of or attached to or used in connection with any vehicle;
 2. any vehicle as a tool of trade;
 3. a trailer which is not attached to nor has accidentally become detached from a motor vehicle.
 - b. arising beyond the limits of any carriageway or thoroughfare caused by the loading or unloading of any vehicle;
 - c. for damage to any bridge, weighbridge, road or anything beneath caused by the weight of any vehicle or of the load carried thereon;
 - d. arising out of any vehicle temporarily in the insured's custody or control for the purpose of parking;
 - e. arising out of the possession or use by the insured of any vehicle belonging to any rail service provider or any government or quasi-government department, provincial administration, municipality or similar body whilst on any premises permanently occupied by the insured;
 - f. which form the subject of extensions covering employers liability;
2. liability which is the subject of statutory or similar legislation controlling the possession or use of motor vehicles or trailers and in respect of which liability:-
 - a. the insured is compelled to effect insurance or otherwise furnish security, or
 - b. the state or other governmental authority has accepted responsibility.
3. the ownership possession or use by or on behalf of the insured of any aircraft watercraft or hovercraft, or the refuelling or de-fuelling thereof.
4. 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 other property temporarily in the insured's possession for work thereon (but no indemnity is granted for damage to the part of the property on which the insured is working and which arises out of such work);
 - b. employees' and visitors' clothing and personal effects;
 - c. premises tenanted by the insured to the extent that the insured would be held liable in the absence of any specific agreement;
 - d. property belonging to any rail service provider or any government or quasi-government department, provincial administration, municipality or similar body whilst on any premises permanently occupied by the insured.
5. the ownership, hire, leasing or operation of any airport, airstrip or helicopter pad by or on behalf of the insured.
6. Any condition directly or indirectly caused by or associated with Human Immune Virus (HIV) or the mutants, derivatives or variations thereof or in any way related to Acquired Immune Deficiency Syndrome or any Syndrome or condition of a similar kind howsoever it shall be named.
7. More than R500 000 as a result of Spread of Fire in terms of No 101 of 1998: National Veld and Forest Fire Act 1998 unless more specifically stated in the schedule .
8. The spread of contagious and or infectious disease or sickness of any kind and / or in any way or manner whatsoever.
9. liability consequent upon injury or damage caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment, 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) given or administered by or at the direction of the Insured.

SUB-SECTION B – POLLUTION LIABILITY**SUB-SECTION B - INDEMNITY**

The insured is indemnified by this sub-section against claims for injury or damage arising out of pollution but only to the extent that it can be proved that such pollution:

1. was the direct result of a sudden specific and indemnifiable event occurring during the period of insurance;
2. was not the direct result of the insured failing to take reasonable precautions to prevent such pollution.

Sub-section B - Exclusions

This sub-section is subject to the exclusions to sub-section A insofar as they can apply, and also does not cover liability for claims arising out of or in connection with any product.

SUB-SECTION C - PRODUCTS LIABILITY/DEFECTIVE WORKMANSHIP**SUB – SECTION C INDEMNITY**

The insured is indemnified by this sub-section against claims for injury or damage arising out of or in connection with any product or pollution resulting therefrom subject always to the provisions of sub-section B - Indemnity.

Sub-section C - Exclusions

This sub-section does not cover liability for claims;

1. for costs incurred in the repair, reconditioning, modification or replacement of any product or part thereof which is or is alleged to be defective. For the purposes of this Exclusion the term "replacement" shall be deemed to include any credit or refund granted or alternative Product provided by or on behalf of the Insured in lieu of replacement of the defective Product;
2. for costs arising out of the recall of any product or any part thereof;
3. arising out of the failure of any product or part thereof to fulfil its intended function or to perform as specified, warranted or guaranteed unless such failure shall result in injury and/or damage;
4. arising out of any product which with the insured's knowledge is intended for incorporation into the structure, machinery or controls of any aircraft;
5. arising out of negligent advice in respect of defective workmanship;
6. for the cost of rectifying or recalling defective work;
7. arising from inefficacy of such work or because the work did not produce the result anticipated or claimed;
8. arising prior to the handing over of such work;
9. arising from any work on any aircraft or part thereof.
10. for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the Product and any other property essential to such repair, alteration or replacement unless physically damaged by the Product.

SUB-SECTION D - NEGLIGENT GRATUITOUS ADVICE (IN RESPECT OF PRODUCTS ONLY)**SUB-SECTION D – INDEMNITY**

The insured is indemnified by this sub-section in respect of claims arising out of Negligent Gratuitous Advice.

Sub-section D – Exclusions

This sub-section does not cover liability for claims arising out of:

1. negligent advice given in respect of any product unless the insured shall have effected cover under sub-section C of this policy;
2. financial services and/or cost estimates given by or on behalf of the insured;
3. the insolvency of the insured;
4. defamation or injuria.

Specific exceptions (applicable to all sub-sections and extensions of this section)

This section does not cover liability:

1. for any claims where the insured was aware, before inception of this policy, of the circumstances or event which gave rise to the claim;
2. occurring prior to the applicable retroactive date stated in the schedule;
3. arising out of the deliberate, conscious or intentional disregard by the insured, or the insured's technical, operational or administrative management of the need to take all reasonable steps to prevent claims;
4. assumed under any contract or agreement unless such liability would have attached in the absence of such contract or agreement except and to the extent specifically provided herein;
5. arising out of injury to any persons under a contract of employment or apprenticeship with the insured where such injury arises out of the execution of such contract except to the extent and where the insured has elected to purchase employers liability;
6. arising out of liquidated damages clauses, penalty clauses or performance warranties except to the extent that it can be proved that liability would have attached in the absence of such clauses or warranties;
7. for the applicable first amount payable in respect of each claim or series of claims arising out of one originating cause. The provisions of this clause shall apply to claims arising from damage only and shall also apply to defence costs incurred by the insured;
8. which forms the subject of insurance by any other policy or policies and this policy shall not be drawn into contribution with such other insurance;
9. for any claims arising out of any design, formula (other than design or formula of a product), specification or advice of a professional nature given by or on behalf of the Insured in exchange for a fee;
10. for claims arising out of or which may arise out of or in connection with magnetic and/or electrical fields;
11. caused by or arising out of the actual or alleged or threatened inhalation of indigestion of contact with exposure to existence of or presence of any Fungi or bacteria on or within a building or structure including its contents;
12. or any loss cost or expenses arising out of the abating testing for monitoring cleaning up removing containing treating detoxifying neutralising remediating or disposing of or in any way responding to or assessing the effects of Fungi or bacteria by any Insured or by any other person or entity;
13. or any loss, damage, cost or expense of any nature 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 quality;
14. arising out of any wrongful act committed by any director and/or officer of the insured.

For the purposes of this insurance "wrongful act" shall mean any actual or alleged breach of duty, breach of trust, neglect, error, omission, misstatement, misleading statement, mistreatment, breach of fiduciary obligation, libel, slander, wrongful trading, breach of warranty of authority or other legal liability on the part of any director or officer, jointly or severally, which arises solely by reason of the conduct of their duties or their capacity as directors and officers.

WAR AND TERRORISM EXCLUSION

In respect of this sub-section only, general exception 1 is deleted and replaced by the following:

Notwithstanding any provision to the contrary within this policy or any endorsement thereto it is agreed that this policy excludes loss, damage, cost or expenses of whatsoever nature directly or indirectly caused by, resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss;

- a. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military or usurped power; or
- b. any act of terrorism.

For the purpose of this exclusion an act of terrorism means – an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization (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 specific exception also excludes loss, 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 any way relating to (1) and/or (2) above.

If the company alleges that by reason of this exclusion, any loss, damage, cost or expense is not covered by this insurance the burden of proving the contrary shall be upon the insured.

In the event of any portion of this exception is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

SPECIFIC INSURANCES EXCLUSION

The indemnity provided by this policy does not cover liability for claims arising out of dishonesty of the directors, principals or employees of the insured or theft or fraud by any other person, nor does this policy provide indemnity for any liability arising out of the activities of operations domiciled in the United States of America or Canada or for any Damages in respect of any judgements, award or settlement made within the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part). For the purposes of this Specific exception Damages shall be deemed to include costs and expenses of litigation recovered by any claimant from the Insured.

Liability consequent upon injury or damage deliberately, consciously and intentionally caused by the insured, or the insured's management is specifically excluded.

SPECIFIC CONDITIONS

(Conditions 1 to 5 are precedent to the company's liability to provide indemnity under this policy)

1. The insured shall give written notice to the company as set out in general condition 6, but in any event no later than the last day of the period of insurance, of any claim made against the insured (or any specific event or circumstance that may give rise to a claim being made against the insured) and which forms the subject of indemnity under this policy and shall give all such additional information as the company may require. Every claim, writ, summons or process and all documents relating to the claim event or circumstance shall be forwarded to the company immediately they are received by the insured.
2. Notwithstanding specific condition 1, in the event of cancellation or non-renewal of the policy, the insured may report an event in terms of general condition 6 to the company for up to 15 days after cancellation or non-renewal, provided:
 - a. such event occurred subsequent to the retroactive date and prior to the termination of the period of insurance;
 - b. any subsequent claim first made in writing against the insured as a result of such event shall be treated as if it has first been made on the last day preceding cancellation or non-renewal;
 - c. no insurance in substitution hereof has been purchased by or on behalf of the insured.
3. No admission offer promise or payment shall be made or given by or on behalf of the insured without the written consent of the company which shall be entitled to take over and conduct in the name of the insured the defence or settlement of any claim or to prosecute in the name of the insured for its 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 and the insured shall give all such information and assistance as the company may reasonably require.
4. The insured shall give notice as soon as reasonably practicable of any fact, event or circumstance which materially changes the information supplied to the company at the time when this policy was effected, and company may amend the terms of this policy according to the materiality of such change.
5. The company may at any time pay to the insured in connection with any claim or series of claims under this policy to which an indemnity limit applies the amount of such limit (after deduction of any sums already paid) or any lesser amount for which such claims can be settled and upon such payment being made the company shall relinquish the conduct and control of and be under no further liability in connection with such claims.
6. The interpretation of the terms and exceptions of this policy (and any phrase or word contained therein) shall be interpreted in accordance with the law of the Republic of South Africa.
7. Where the premium is provisionally based on the insured's estimates, the insured shall keep accurate records and after expiry of the period of insurance declare as soon as possible such details as company require. The premium shall then be adjusted and any difference paid by or allowed to the insured as the case may be subject to any minimum premium that may apply.

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 disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
(f) loss of four fingers	70
(g) loss of thumb	
both phalanges	25
one phalanx	10
(h) loss of index finger	
three phalanges	10
two phalanges	8
one phalanx	4
(i) loss of middle finger	
three phalanges	6
two phalanges	4
one phalanx	2
(j) loss of ring finger	
three phalanges	5
two phalanges	4
one phalanx	2
(k) loss of little finger	
three phalanges	4
two phalanges	3
on phalanx	2
(l) loss of metacarpals	
first or second (additional)	3
third, fourth or fifth (additional)	2
(m) loss of toes	
all on one foot	30
great, both phalanges	5
great, one phalanx	2
other than great, if more than one toe lost each	2

Memoranda

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

Temporary total disability shall mean total and absolute incapacity from following usual business or occupation.

Medical expenses shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as result of bodily injury and incurred within 24 months of the defined event.

Annual earnings shall mean the annual rate of wage, salary and cost of living allowance being paid or allowed by the Insured to such person at the time of accidental bodily injury plus overtime, house rents, food allowances, commissions and other considerations of constant character paid or allowed by the Insured to such person during the 12 months immediately preceding the date of accidental bodily injury

Average weekly earnings shall mean one fifty-second part of annual earnings.

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 and 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. any compensation payable by the Company for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of medical expenses;
5. after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the Company so to do, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. general conditions 2 and 9 do not apply to this section;
7. in respect of this section only, general exception 1 is deleted and replaced by the following

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

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 the Permanent disability definition:

- (n) permanent disfigurement resulting from accidental external burns to the combined surface area of the

- (i) face and neck

100% surface area disfigurement

less than 100% surface area disfigurement

**Percentage of
compensation**

50

The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement

- (ii) remaining parts of the body other than the face and neck

100% surface area disfigurement

less than 100% surface area disfigurement

25

The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement.

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

4. Life support machinery

Notwithstanding anything contained in the defined events, the 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, disability or medical expenses in respect of such person

- (a) 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;
- (b) by his suicide or intentional self injury;
- (c) caused solely by an existing physical defect or other infirmity of such person;
- (d) as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by a member of the medical profession (other than himself) or unless prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);
- (e) while he is or as a result of his engaging in
 - (a) motor cycling (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
 - (i) vehicle
 - (ii) vessel
 - (iii) craft
 - (c) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeple-chasing, professional football or hang-gliding,
- (f) as a result of his participation in any riot or civil commotion;
- (g) 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



UNDERWRITING MANAGERS (PTY) LTD

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 disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
(f)	loss of four fingers	70
(g)	loss of thumb	
	both phalanges	25
	one phalanx	10
(h)	loss of index finger	
	three phalanges	10
	two phalanges	8
	one phalanx	4
(i)	loss of middle finger	
	three phalanges	6
	two phalanges	4
	one phalanx	2
(j)	loss of ring finger	
	three phalanges	5
	two phalanges	4
	one phalanx	2
(k)	loss of little finger	
	three phalanges	4
	two phalanges	3
	on phalanx	2
(l)	loss of metacarpals	
	first or second (additional)	3
	third, fourth or fifth (additional)	2
(m)	loss of toes	
	all on one foot	30
	great, both phalanges	5
	great, one phalanx	2
	other than great, if more than one toe lost each	2

Memoranda

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

Temporary total disability shall mean total and absolute incapacity from following usual business or occupation.

Medical expenses shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as result of bodily injury and incurred within 24 months of the defined event.

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 and 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. any compensation payable by the Company for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of medical expenses;
5. after suffering accidental bodily injury for which compensation may be payable under this section, such person shall, when reasonably required by the Company so to do, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. general conditions 2 and 9 do not apply to this section;
7. in respect of this section only, general exception 1 is deleted and replaced by the following

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

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 the Permanent disability definition:

- (n) permanent disfigurement resulting from accidental external burns to the combined surface area of the

- (i) face and neck

100% surface area disfigurement

less than 100% surface area disfigurement

- (ii) remaining parts of the body other than the face and neck
100% surface area disfigurement

less than 100% surface area disfigurement

Percentage of
compensation

50

The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement

25

The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement.

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

4. Life support machinery

Notwithstanding anything contained in the defined events, the 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, disability or medical expenses 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);
- (e) while he is or as a result of his engaging in
 - (a) motor cycling (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
 - (i) vehicle
 - (ii) vessel
 - (iii) craft
 - (c) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeple-chasing, professional football or hang-gliding,
- (f) as a result of his participation in any riot or civil commotion;
- (g) 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.



Subsection 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 reason 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 exceed the limit noted in the schedule provided that a detailed estimate is first obtained and immediately forwarded to the Company. The Company will also pay the reasonable cost of delivery to the Insured after repair of such loss or damage not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Mozambique or Malawi.

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 subsection, 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 subsection (including any payment in respect of costs, expenses and fees) and of any expenditure by the Company in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the company shall include any first amount payable for which the Insured is responsible, such amount shall be paid by the Insured to the Company forthwith.
5. the Company shall not be liable for more than the amount stated in the schedule (after deduction of the first amounts payable) in respect of the theft or attempted theft of radios, tape players and similar equipment or telephones not supplied by the manufacturers of the vehicle when new.

Exceptions to Subsection A

The Company shall not be liable to pay for

- (a) consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages
- (b) damage to tyres by application of brakes or by road punctures, cuts or bursts
- (c) damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities
- (d) detention, confiscation or requisition by customs or other officials or authorities.

Subsection 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 legally liable to pay in respect of:

- (i) death of or bodily injury to any person but excluding death of or bodily injury to any person in the employ of the insured arising from and in the course of such employment or being a member of the same household as the Insured
- (ii) damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or being conveyed by loaded onto or unloaded from such vehicle
- (iii) death of or bodily injury to any person being carried in or upon an open vehicle adapted for game viewing purposes and described in Definitions 2 (a) (i) and 2 (a) (ii) provided that if such vehicle is travelling on a public road as defined in the National Roads Act No. 54 of 1971 (as amended) it is legally licensed to do so, 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.

The Company will also (in terms of and subject to the limitations of and for the purposes of this subsection).

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 this subsection, provided that the total of the Company's liability under both this extension and Subsection B shall not exceed the limit of indemnity stated to apply to Subsection 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 insurance in so far as they can apply
 - (b) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer

- (c) indemnity shall not apply in respect of claims made by any member of the same household as such person
 - (d) such person is not entitled to indemnity under any other policy except 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 Subsection B

The Company shall not be liable under this subsection in respect of

- (a) so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been affected
- (b) death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in definition 2 (b), 2 (c), 2 (d) or 2 (e) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1500kg
- (c) liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.

Limits of Indemnity

Unless otherwise stated the liability of the Company under this subsection in respect of any one occurrence shall not exceed the limits of indemnity as stated in the schedule.

Subsection C Medical Expenses

Defined Events

If an occupant in the specified part of a vehicle described below, in direct connection with such vehicle, sustains bodily injury by violent, accidental, external, external and visible means, the Company will pay to the Insured the medical expenses incurred as a result of such injury up to the limits reflected in the schedule in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

The amount payable under this subsection 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 Subsection A of this section

1. Any private type motor car or motorised caravan or open vehicles adapted purely for game viewing purposes.
2. Any type of insured vehicle other than a bus or taxi

Specified part of vehicle in which the injury must occur

Anywhere inside the vehicle, but in respect of open game drive vehicles anywhere on the vehicle where proper seats are installed

The permanently enclosed passenger carrying compartment

Definitions

1. Occurrence

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

2. Vehicle

the term vehicle shall mean:

- (a) (i) private type motor cars shall mean any vehicle designed to carry not more than 7 persons including the driver. This would include open game drive vehicles and the like.
- (a) (ii) light commercial vehicles with a carrying capacity with less than 3 500 kilograms or vehicles designed to seat 8 or more persons including the driver. This would include open game drive vehicles.
- (b) Commercial vehicles with a carrying capacity exceeding 3 500 kilograms and special type vehicles as described in the schedule.
- (c) Motor cycles (including motor scooters and 3-wheeled vehicles)

- (d) Buses (including any vehicle used for business purposes and designed to seat more than 9 persons, including the driver).
- (e) 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.
- (f) Golf Carts

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 market 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 Rebate Provisions (applicable to Specified Vehicle Basis)

In the event of no claim being made or arising under this Policy during a period of insurance specified below immediately preceding the renewal of this Policy, the renewal premium for the insurance of the vehicles will be based on the relevant Claim Free Group or subject to the No Claim Discount as follows:

DEFINITION (a) (i) and (a) (ii)

Period of insurance	Claim-Free Group
the preceding year	1
the preceding two consecutive years	2
the preceding three consecutive years	3
the preceding four consecutive years	4
the preceding five or more consecutive years	5

otherwise than above, Claim-Free Group 0 applies

If one or more claims are made or arise under this Policy during a period of insurance for which the premium is based on Claim-Free group 4 or 5, then the next renewal premium will be based respectively on Claim-Free group 2 or 3 and for subsection renewals as follows

(i) CLAIM-FREE GROUP 4

Period of insurance during which no claim is made or arises	Claim-Free Group
the preceding year	3
the preceding two consecutive years	4
the preceding three consecutive years	5

(ii) CLAIM-FREE GROUP 5

Period of insurance during which no claim is made or arises	Claim-free Group
the preceding year	4
the preceding two consecutive years	5

Otherwise than above, Claim-Free Group 0 applies

DEFINITIONS (b) and (a)

Period of insurance	No Claim Discount
the preceding year	15%
the preceding two consecutive years	20%
the preceding three consecutive years	30%
the preceding four consecutive years	40%
Otherwise than above no discount applies	

DEFINITIONS (c) and (d)

Period of insurance	No Claim Discount
the preceding year	15%
the preceding two consecutive years	20%
the preceding three consecutive years	30%
the preceding four consecutive years	35%

Otherwise than above no discount applies

Should the company consent to a transfer of interest in this Policy, the period during which the interest was in the transfer or shall not accrue to the benefit of the transferee

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

Extensions

1. Contingent liability extension (if stated in the schedule to be included)

The indemnity under Subsection 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 Subsection 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.

2. Passenger liability extension

Exception (b) to Subsection B shall not apply to vehicles described in definition 2 (b), other than special types, or in definitions 2 (c), 2 (d) or 2 (e). The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

3. Unauthorised passenger liability extension

The indemnity under Subsection 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 Subsection 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:

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

Provided that this extension does not cover:

- (a) loss or damage occurring in the republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;

- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority;

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

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

9. Loss of keys extension (if stated in the schedule to be included)

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

- (i) the Company's liability shall not exceed, in respect of any one event, the amount stated in the schedule
- (ii) such amount shall be reduced by the first amount payable stated in the schedule.

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

10. Fire extinguishing charges extension

Any costs (**not exceeding limit on schedule**) 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.

11. Wreckage removal extension (automatically included)

The cover provided under Subsection 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 Subsection A of this section, the limit of the Company's liability under this extension shall not exceed, the limit stated in the schedule to apply to this extension.

12. Credit shortfall extension (if stated in the schedule to be included)

If any loss settlement under Subsection 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 Subsection A

provided always that

- (a) the amounts payable shall not exceed the maximum indemnity less the first amount payable under Subsection 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) (i) and 2 (a) (ii) 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 extension (if stated in the schedule to be included)

(applicable only to insured vehicles as described in definitions 2 (a) (i) and 2 (a) (ii) and provided that the required additional premium has been paid)

- (a) the company shall pay for the hire of a similar but not upgraded vehicle, excluding Insurance costs;
- (b) the liability of the company shall not exceed a maximum of R300 per day for the number of days as stated in the schedule
- (c) the period of hire shall:

- (i) commence immediately such loss or damage occurs
 - (ii) cease on the day that such vehicle is returned to the Insured or 30 days after the commencement of the hire
- whichever occurs first

15. Parking facilities and movement of third party vehicles extension (if stated in the schedule to be included)

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

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

Defined events 1, 2,3, 4 & 5 are restated as follows:

Loss or damage to the Vehicle

- 16.1 If the vehicle or any part of it (including accessories) is lost or damaged the Company will compensate the Insured by means of payment, or at their choice by repair or replacement
- 16.2 If, to the Companies knowledge, the vehicle is the subject of a hire purchase or similar agreement, any payment will be made to the owner described in the agreement whose receipt will be a complete discharge to the Company.
- 16.3 The maximum amount payable by the Company (except for Emergency Expenses) will be the sum stated in the Policy Schedule or:
 - 16.3.1 the retail value (adjusted for mileage and condition) plus
 - 16.3.2 the sum insured stated in the Policy Schedule for accessories and spare parts, but not more than the retail value of such property, whichever is less.
- 16.4 in respect of each and every occurrence giving rise o a claim under this section the Insured will be responsible for the First Amounts Payable as stated in the Policy Schedule.
- 16.5 Retail Value means the retail value of the vehicle (and its accessories sold by the manufacturer as standard) including VAT, at the time of loss or damage.

17. Repatriation Extension

- (a) In respect of a claim occurring whilst the Insured vehicle is being used in Zambia, Mozambique or any other country specified, the cover does not include:
 - 1. 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.
 - 2. Theft of spare parts and or any accessories on the vehicle
 - 3. Any amount payable exceeding R 10 000 for recovery costs (exceeding the first amount payable) under this sub-section
 - 4. Sub – section B – liability to third parties.
- (b) 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:
 - 1. The Company will settle the claim for the estimated cost of repairs of the lesser of the market value wand the maximum indemnity less:
 - (a) The first amount payable
 - (b) 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;
 - 2. On payment as set out in (b) 1 above the salvage shall belong to the Insured

18. Emergency Accommodation Expenses

In the event of a loss or damage to the Insured vehicle the Company will pay for emergency accommodation expenses necessarily incurred by the Insured and any passenger/s **up to the limits reflected in the schedule**, subject to the loss or damage not occurring less than 100km from your property.

Memorandum**1. Premium adjustment clause**

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

2. War clause

In respect of Subsection B and C only, general exception 1 is deleted and replaced by the following:

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

3. Description of use clause

Use for social domestic and pleasure purposes and use for the business or occupation of the Insured

excluding

hiring, carriage of passengers for hire or carriage of fare paying passengers (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) racing speed or other contests, rallies, trails, 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)**

Subsection 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 Subsection A is restricted solely to loss or damage resulting from fire,

Self-ignition lightning or explosion or by theft or any attempt thereat. Further, Subsection 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, Swaziland, 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.

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 non-complying with the licensing laws relating to any license subject to periodic renewal or if a licence, is not required by law or while such driver is learning to drive and is complying with the laws relating to learners

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**

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

Motor Cover Conditions**ROADWORTHINESS**

Cover provided by the motor section, including all sub sections thereof, is strictly subject to the driver of any vehicle/s being used in a condition which complies fully with the provisions and regulations of the National Road Traffic Act on 1996, the National Road Traffic Regulations 2000 and/or any other applicable or subsequent legislation and/or regulations providing for the use of motor vehicles on a public road way in South Africa or any similar legislation which applies to the countries as territorial limits in the schedule.

DRIVER LICENCE – PUBLIC ROADS

Cover provided by the Motor Section, including all sub sections thereof, is strictly subject to the driver of any vehicle / being licensed to drive such vehicle in accordance with the terms, provisions and regulations of the National Road Traffic Act 108 of 1996, the National Road Traffic Regulations 2000 and / or any other applicable or subsequent legislation and / or regulations providing for the licensing of drivers of motor vehicles on a public roadway in South Africa.

DRIVER LICENCE – PRIVATE ROADS

Cover provided by the Motor Section, including all sub sections thereof , is strictly subject to the driver of any vehicle , whilst being driven on a private roadway , being licensed , in accordance with the terms , provisions and regulations of the National Road Traffic Act 108 of 1996 , to drive such a vehicle of like description.



Subsection A: Material Damage**Defined Events**

Physical loss or damage to the property insured described in the schedule owned by the Insured or for which they are responsible from any cause not hereinafter excluded whilst

- (a) at work or at rest anywhere within the Insured's premises as specified
- (b) in transit including loading and unloading or whilst temporarily stored at any premises en route
- (c) temporarily removed from the Insured's premises to any other location.
- (d) worldwide cover in respect of laptops, notebooks and portable electronic devices

Exceptions to Subsection A

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

- 1. the first amount payable as stated in the schedule in respect of Subsection 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, vermin, insects and / or pests
- 3. termites, moths, vermin, insects and / or pests
- 4. 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
- 5. 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
- 6. 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
- 7. 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 subsection 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
- 8. the cost of reproducing data and/or programs whether recorded on cards, tapes, discs or otherwise unless specifically provided for in Subsection B hereof
- 9. loss of use of the property or other consequential loss, damage or liability of whatsoever nature other than losses specifically provided for herein
- 10.
 - (a) loss by theft or by disappearance of the property insured unless accompanied by forcible and violent entry to or exit from the insured premises/situation
 - (b) loss of the property insured by theft during transit or whilst temporarily removed from the insured premises unless identifiable by the Insured with a specific incident which has been immediately reported to the police and the Company.
 - (c) 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 boot or compartment of the vehicle or the vehicle itself is housed in a securely locked building or entry to such locked vehicle or building is accompanied by forcible or violent entry or exit.

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

- (a) left in the motor vehicle overnight unless the vehicle is housed in a securely locked building and entry to such vehicle or building is accompanied by forcible and violent entry or exit
 - (b) not contained in a fully locked compartment of the motor vehicle and is visible to passers-by
- provided that
- (a) and (b) above shall not apply to theft of the property insured where the transport vehicle
 - (i) has been hijacked or
 - (ii) has been involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected.

Basis of Indemnification

The indemnity by this subsection is subject always to the sums insured contained in the schedule or any specific limit of liability contained in this subsection, 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 subsection
- (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 therefrom will be for the account of the Insured
- (d) where the damage is restricted to a part or parts of an insured item, the Company shall not be liable for an amount greater than the value of such part or parts which are lost or damaged allowed for within the sum insured.

(2) Total loss

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

- (a) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured, subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the market value of the property insured immediately before the damage shall be made
- (b) 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.
- (c) these conditions shall be without force or effect if
 - (i) 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
 - (ii) the Insured is unable or unwilling to replace or reinstate the property insured on the same or another site
- (d) 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.

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.

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.

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

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

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

Average

In respect of (1) and (2) above if at the time of repair, replacement or reinstatement the sum representing the cost which would have been incurred in repair, replacement or reinstatement if the whole of the property insured had been 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

(a) **Architects' and other professional fees**

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

Damage provided that the 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.

(b) **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.

(c) **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.

Clauses and Extensions

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.

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.

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 subsection of the policy.

Subsection B: Consequential Loss

Defined Events

The insurance provided by this subsection of the policy (if stated in the schedule) shall be subject to the limits of indemnity stated in the schedule and shall include

(i) **Increased cost of working**

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

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

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

- (a) the cover provided for in item (ii) of this subsection of the policy
- (b) the intrinsic value (including reinstatement value) of the property insured by Subsection A of this section.
- (c) worldwide cover in respect of laptops, notebooks and portable electronic devices

(ii) **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 Subsection A of this Policy) or by theft or by the deliberate willful or wanton intention of causing the cancellation or corruption of data or programs as provided for in Subsection 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 schedule as the first amount payable
- (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.

Definitions

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.

Accident

1. (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 Subsection A of this Policy, liability under which subsection shall, except for the provisions relating to the first amount payable or the maintenance/lease agreements, be a condition precedent to liability hereunder.
2. Failure of the public supply of electricity at the terminal ends of the service feeders in the premises from any accidental cause other than
 - (a) the deliberate act of the Insured or any supply authority
 - (b) drought or shortage of fuel at any electricity utility.

Special conditions applicable to failure of the public supply of electricity

- (a) The liability of the Company shall not exceed the sum insured by this subsection.
- (b) 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 Subsection 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 subsection 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 Subsection B

Unless specifically provided for

1. Fines and damages

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

2. Loss of profit

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

Clauses and Extensions

Reinstatement

Notwithstanding anything to the contrary contained in this subsection, 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 this section shall be related solely to the business interruption which would have arisen in the absence of (a) and (b).

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 Subsection 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 subsection.
- (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

- (a) additional equipment or programs purchased by the Insured of a similar nature to that specified in the schedule, provided that, in respect of loss or damage due to electrical or mechanical breakdown or explosion, the insurance shall only commence after satisfactory completion of installation or commissioning/testing and put into use at the Insured's premises
- (b) provision for devaluation or revaluation of the currency of the republic of South Africa against that of the country of origin of the property insured and other inflationary trends, which may result in the escalation of the sum insured (representing the installed new replacement value) of the property insured

provided that the increase shall not exceed, by more than 25% the total sum insured for Subsection 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

the Insured is not entitled to indemnity as provided for in this extension under any other policy or section of this Policy

This section shall not be brought into contribution with any other policy or section of this Policy bearing a like extension.

Special Exception (Subsections 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 Subsection A & B of this section shall indemnify the Insured for costs incurred in respect of

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

provided always that

- (1) the costs provided for in (a), (b) and (c) above shall be necessarily and reasonably incurred to maintain normal working conditions
- (2) such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of Subsections A or B (item ii) of this section of the policy
- (3) the cover afforded hereunder shall be restricted to

- (i) parts or components of the electronic system which are not indemnifiable under Subsection A hereof
- (ii) programs or data reinstated not indemnifiable under item (ii) of Subsection B hereof;

Special Conditions

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

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 linked to an armed response facility has been installed in the insured premises by an approved SAIDS 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.
- (d) This insurance shall not cover loss of damage to the property following the use of keys/card key of the alarm or any duplicate thereof belonging to the insured unless such keys/card key have been obtained by violence or threat of violence to any person.



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:

- (a) whilst it is at work or at rest;
- (b) 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 Insured's Premises

Exceptions

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

- 1. the amount specified in the Schedule as the first amount payable;
- 2. damage due to fire direct lightning 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:
 - (i) foundations and masonry unless specifically included in and described in the Schedule or Machinery;
 - (ii) exchangeable and replaceable parts such as bits, drills, knives, saw blades;
 - (iii) dies, moulds, patterns, blocks, stamps, punches, coatings or engravings on cylinders and rolls;
 - (iv) 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;
 - (v) 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

- (a) 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.
- (b) No deduction shall be made for depreciation in respect of parts replaced, but the value of any salvage will be taken into account.
- (c) 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.

- (d) In cases where and 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 affected 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.

Hire Costs extension – added

The policy is extended to cover the Hiring Costs incurred by the Insured during the Period of Indemnity stated in the Schedule for the hire of substitute plant and equipment of equivalent performance and capacity, following indemnifiable damage to the Insured Property listed in the Schedule, subject to the limit specified on the schedule

Maintenance Contract Warranty

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

- (a) A service or maintenance contract is to be in place for all machinery either with a qualified or reputable external company or a qualified internal house team.
- (b) The service or maintenance contract is to be reviewed once a year to insure that it is suitable for the machinery in place.



If during the Period of Insurance covered by this Section or any renewal thereof any Machinery as described in the Machinery Breakdown Schedule 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:

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

and the amount payable as indemnity hereunder shall be:

- (a) **in respect of reduction in turnover** the sum produced by applying the rate of gross profit to the amount by which the turnover during the Indemnity Period shall in consequence of the 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:

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

and the amount payable as indemnity hereunder shall be:

- (a) **in respect of reduction in turnover** the sum produced by applying the rate of gross profit to the amount by which the turnover during the Indemnity Period shall in consequence of the 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.

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.

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 this section the Insured shall, in addition to complying with general Conditions 6 and 7, with due diligence do and concur in doing and permit to be done all things which may be 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 thirty days after the expiry of the Indemnity Period, or within such further time as the Company may in writing allow, at their own expense deliver to the Company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. 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.

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.

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.

Memoranda

Memo 1 – Sales and services

If during the Indemnity Period goods shall be sold or serviced shall be rendered elsewhere than at the Premises for the benefit of the Business either by the Insured or by other 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 fifty percent 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 – Claims preparation costs

The insurance under any specified item covering claims preparation costs is limited to the reasonable charges payable by the Insured to his Professional Accountants for producing any particulars or details contained in the Insured's books of account or other business books or documents or such other proofs information or evidence as may be required by the Company under the terms of General Condition 6 of the

Policy and reporting that such particulars or details are in accordance with the Insured's books of account or other business books or documents.

Memo 5 – 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 6 – 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 7 – 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 8 – Standby machinery

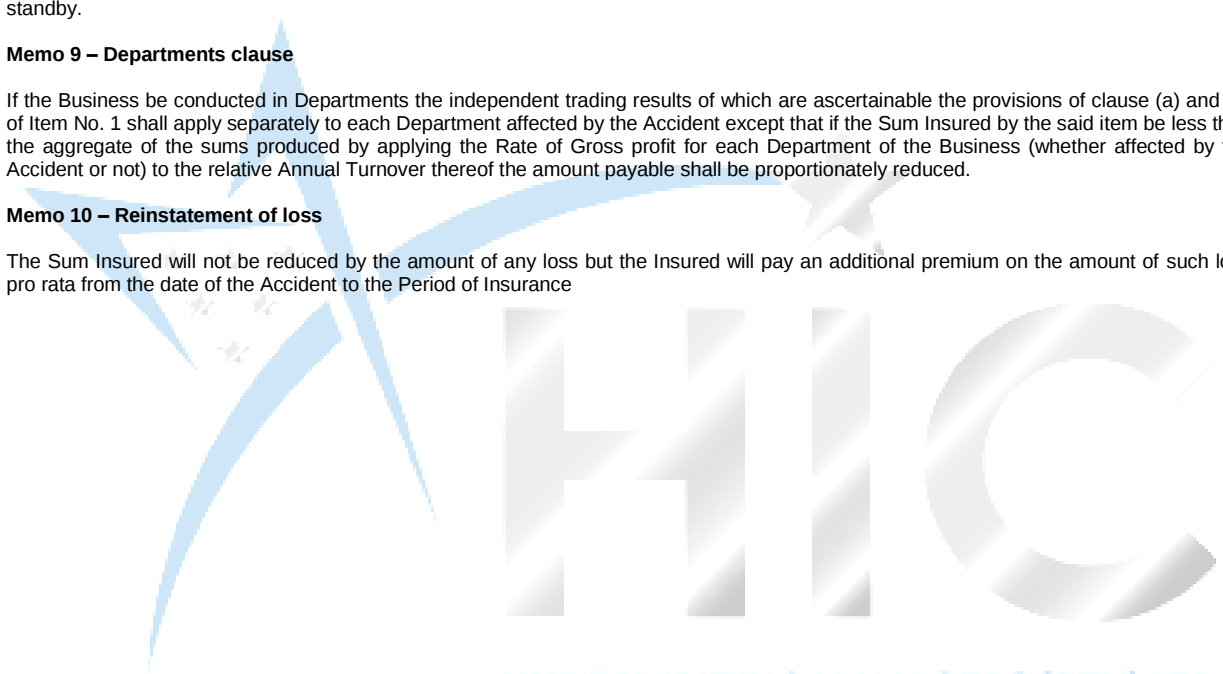
Warranted by the Insured that any item of Plant or Machinery insured by this Policy against which the word "Standby" appears in the Schedule shall be maintained as standby available for immediate use in the event of the failure of the plant or machinery to which it is standby.

Memo 9 – 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 10 – 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



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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:

- (a) 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.
- (b) Contamination by refrigerant as a result of physical damage to the refrigeration installation.
- (c) 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.

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 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

- (a) It is a requirement of this insurance that the Sum Insured shall be equal to the estimated maximum cost price obtainable for the stored goods during any Period of Insurance
- (b) 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 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) maintained by the Insured's own maintenance personnel;

and written records of inspections and repairs to be kept.

Extension**Contamination and Pollution of Wine Stocks Extension (If stated in the schedule to be included)**

This insurance is extended to cover sudden and accidental pollution of wine (including packaging) arising from an occurrence defined herein to any controlled environment system and ancillary machinery or cold store including occurrences where the refrigeration units or cold stores fail to operate at their normal efficiency.

Provided that:

- a. the liability of the insurers shall not exceed the limit stated in the Schedule.
- b. the Insurers shall not be liable for consequential loss or liability due to or arising from the deterioration or putrefaction of the goods

OCCURRENCE SHALL MEAN:

Sudden and accidental pollution of wine including destruction on the grounds of health hazard or any order of Government of local authority) as a result of:

- f. Sudden and unforeseen electrical and/or mechanical damage to the Controlled environment System;
- g. Malfunction of the Controlled Environment System;
- h. Escape of refrigerant or contamination of the property Insured;
- i. Failure of the supply of electricity;
- j. Error and/or omission of any of the Insured's employees.

For the purpose of this extension the basis of valuation in respect of wine is deemed to be the selling price.

