



AGRICULTURAL POLICY WORDING

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SECTION 1: COMBINED FARMERS INSURANCE POLICY

1. Combined Farmers Policy Contract

This policy is an insurance contract between the Insured and Renasa Insurance Company Limited (also referred to as the Company in this contract). The Company will pay all valid claims if the Insured comply with the terms and conditions of this policy. There are events and property that are not covered, or limits imposed on the amounts payable.

2. The Information Used to make up this Policy Contract

Consist out of The Policy Terms and Conditions, Policy schedule and the Proposal Information of the Insured. The information contained in these documents form the entire contract between the Insured and the Company. Only the promises and statements contained in these documents make up this policy contract. The promises or statements may be made by the Insured or the Company.

3. The Policy Terms and Conditions (this document)

Details of the Insured's rights and duties as well as the rights and duties of the Company, how to claim and all of the events and items that are or are not covered are included in this document.

4. The Policy Schedule

The policy schedule contains the information that is particular to the Insured. It includes the type of cover that the insured have selected, the amounts the insured are covered for, the premiums the Insured must pay and the first amounts payable by the Insured in the event of a claim. It also contains details of the extensions that are applicable to each section and their limits as well as any specific conditions or requirements that have been imposed by the Company that are not included in the policy document. If there are any changes made to the insured's cover, they will be set out on an updated policy schedule that will be sent to the Insured.

5. The Insured's Proposal Information

This is the information that is given to the Company by the Insured when the Insured requested cover and confirmed in writing by the Insured and will be used to calculate the premiums to be charged to the Insured as well as any specific requirements or conditions regarding the provision of cover by the Company. (For example: the requirement for additional security against lightning strikes on a building or the contents, or an alarm system against theft of the Insured's property or a satellite tracking device to be installed in the insured's motor vehicle).

SECTION 2: DEFINITIONS & EXPLANATIONS FOR THE INTERPRETATION OF THE POLICY

DEFINITIONS

The words highlighted in italics below on the left have their meaning given on their right-hand side. There are also definitions in each section that are specific to the types of cover.

Insured:

Insured or his/her spouse and immediate family of the Insured or his/her spouse who live with the Insured named on the schedule or in this policy as being "The Insured", in respect of the Personal sections of this policy. (Spouse means a person who is the partner of the Insured in any marriage, civil union or customary union recognised by South African law or is living in a relationship that is intended to be permanent).

Insured:

The person or persons, company or group of companies or entity named on the schedule or in this policy as being "The Insured" in respect of the Farming Cover Sections of the policy.

Insurer/Company:

Renasa Insurance Company Limited (also referred to as "the insurer" in this contract).

Sum Insured (Limit of Liability or Maximum amount of cover):

The amount shown in the policy or on the schedule that will be the most paid out in the event of a valid claim.

Accident or accidental:

An unplanned and unfortunate event caused by external, visible and violent means that might result in damage, loss injury or death.

Period of cover:

The days that cover is provided for as shown on the schedule.

Start date:

The day the policy or specific section of cover begins for the first time that is shown on the schedule.

Anniversary date:

The date 12 months after the inception date of the policy unless the schedule states differently.

Excess or First Amount Payable:

The amount shown on the schedule that the Insured is responsible for paying towards any claim.

Third Party:

Any person other than the Insured (as defined above).

Warranty:

Guarantee, facts or conditions that can be relied on as true.

Territory:

Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Zambia, Malawi and Mozambique.

Consequential loss:

Loss or damage that arises as a result of a covered event.

Act of Violence:

Murder, assault, robbery, rape, hijacking, armed hold up, violent theft or attempted theft.

SASRIA SOC Ltd:

Special Risks Insurance Company set up by the South African government to cover loss or damage to property from riots, strikes, public disorder, labour disturbances, civil action, lockouts or similar events that occur in South Africa only.

SECTION 3: OPERATIVE CLAUSE

At the payment of the premium by or on behalf of the Insured Renasa Insurance Company Limited FSP no. 15481 (hereinafter called "the Company") agrees to indemnify or compensate the Insured by payment or at the option of the Company by replacement, reinstatement or repair in respect of the Defined Events occurring during the period of insurance and as otherwise provided under the within Sections up to the sums insured, limits of indemnity, compensation and other amounts specified. Where more than one Insurance Company or Insurer participates in this insurance, the expression "Company" shall be amended to "Insurers" wherever it appears in this Policy. In this event the percentage share of each Insurer will be as expressed in the Schedule of this Policy and the liability of each such Insurer individually shall be limited to the percentage share set against its name. Any proposal and declaration made by or on behalf of the Insured is the basis of and forms part of this Policy. The General Exceptions and General Conditions apply in all respects to the insurance granted by this Policy except as they may be varied by any Specific Exceptions, Specific Conditions and Special Provisions in any Section or Schedule thereof.

This insurance contract is conditional upon and will come into effect only following payment of the premium by the Insured and the receipt thereof by or on behalf of the Company. Premium is payable on or before the inception date or renewal date as the case may be. The Company shall not be obliged to accept premium tendered to it or to any intermediary after such date but may do so upon such terms as it in its sole discretion may determine. This Policy, Schedules and any Endorsements thereto must be read together as one contract and words and expressions to which specific meanings have been given in any part thereof have these meanings wherever they may appear.

SECTION 4: GENERAL CONDITIONS, EXCEPTIONS & PROVISIONS OF THE POLICY

GENERAL CONDITIONS

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

- 1. Misrepresentation, Misdescription and Non-disclosure Misrepresentation:** Misdescription or non-disclosure in any material particular shall render voidable the particular item, Section or Sub-Section of the Policy, as the case may be, affected by such misrepresentation, misdescription or non-disclosure.
- 2. Notification of Alterations:** The Insured shall notify the Company immediately in writing of all alterations in the risk and variations in sums insured and any other changes and obtain the Company's acknowledgement of such notification and confirmation of cover under this Policy.
- 3. Adjustment of Premium:** If the premium for any Section of this Policy has been calculated on estimates furnished by the Insured, the Insured shall keep an accurate record containing all particulars relative thereto and shall at all times allow the Company to inspect such record. The Insured shall after the expiry of each period of insurance furnish the Company with such particulars and information as the Company may require. The premium for such period shall thereupon be adjusted and the difference paid by or to the Insured as the case may be (subject to any minimum premium agreed).
- 4. Prevention of Loss:** The Insured must take all reasonable steps and precautions to prevent accidents or losses.
- 5. Other Insurance** If at the time of any event giving rise to a claim under this Policy, insurance exists with any other insurers covering the Insured against the defined events, the Company shall be liable to make good only a rateable proportion of the amount payable by or to the Insured in respect of such event. If any such other insurance is subject to any condition of average this Policy, if not already subject to any condition of average, shall be subject to average in like manner.
- 6. Change of Interest** :This Policy shall be void with respect to any item thereof in regard to which there be any alteration after the commencement of this insurance whereby the Insured's interest ceases except by will or operation of law, unless notice has been given to the Company in writing as soon as practicable after such alteration and an additional premium paid if required.
- 7. Claims**
 - a. Notice**

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

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

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

The Insured shall immediately advise the Company of any impending prosecution or inquest and forward to the Company immediately any notice of claim or any communication, writ, criminal and/or civil summons and/or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.
 - e. No Admission of Liability**

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

f. Prescription

- i. The Company shall not be liable for any loss or damage, other than a claim under the Business Interruption, Fidelity Guarantee, Personal Accident, Stated Benefits or Group Personal Accident Sections or the Personal Accident (Assault) Extension under the Money Section, if applicable, after the expiry of 24 (twenty four) months from the occurrence of loss or damage unless the claim is the subject of a pending court action or arbitration or unless the claim is in respect of the Insured's liability against a third party;
- ii. If the Company repudiates liability in respect of any claim and a summons is not served upon the Company within 6 (six) months after such repudiation, or in the event of arbitration taking place in terms of General Condition 15 of this Policy within 6 (six) months after the arbitrator(s) or umpire has passed judgement, all benefits in terms of this Policy in respect of such claim shall be forfeited.

g. Limit of Liability

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

8. Claims Preparation Costs

The Company shall be liable for claims preparation costs which shall mean all reasonable costs and expenses incurred in obtaining, compiling and/or producing information, proof and statements as may be required in accordance with General Condition 7, Provided that: the liability of the Company shall not exceed R25 000 (twenty-five thousand rand) any one Section or the amount stated in the Schedule to each Section against an item for additional claims preparation costs whichever is the greater.

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 willful act or with the connivance of the Insured, then all benefits afforded under this Policy shall be forfeited.

10. Company's Rights After an Event

a. On the happening of any event in respect of which a claim is or may be made under this Policy, the Company and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the Company to rely upon any conditions of this Policy:

- i. take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and 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, upon the happening of any event, pay to the Insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the Company shall thereafter not be under further liability in respect of such event.

11. Reinstatement of Cover After a Loss

Not applicable to stock on a declaration basis, Personal Accident, Personal Liability, Extended Personal Legal Liability, Motor, Public Liability, Group Personal Accident, Stated Benefits, Motorboat, Yacht and Small Craft, Single Transit, Single Transit – General, Single Transit – Livestock, Pedigreed Animals and Game and Deterioration of Stock (Machinery Breakdown) Sections nor to any other Section where it is stated to be not applicable. In consideration of sums insured/limit of liability not being reduced where applicable by the amount of the loss the Insured shall pay additional premium on the amount of the loss from the date thereof or from the date of reinstatement or replacement (whichever is the later) to expiry of the period of insurance.

12. 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.

13. Rights of the insured

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

14. Cancellation

This Policy or any Section may be cancelled at any time by the Insured or by the Company; Provided that:

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

b. in the event of cancellation by the Insured, immediate notice thereof be given in writing; and should premium be paid at a frequency of more than one premium per annum the Company shall on cancellation retain all such premiums paid. Should the premium, however, be paid annually, the Company shall on exercising its right of cancellation, return to the Insured the premium less the pro rata portion thereof for the period the insurance has been in force, but should the Insured request cancellation, the Insured shall be entitled to a return of the premium less premium at the Company's short period rates for the time the insurance has been in force. Where the Section "Livestock, Pedigreed Animals and Game Sub-Section A" of the Policy is cancelled on request of the Insured no refund of premium will be allowed in respect of any extension of cover applicable.

15. Arbitration

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

16. Premium payments more than once per annum**a. Definitions**

For the purpose of this Policy the expression:

- i. "period of insurance" used in this Policy shall mean - that period for which the Insured has paid to the Company the premium required by the Company for the insurance under such Policy or, subject to the proviso of General Condition 16(c) (period of insurance) of this Policy, undertook to pay such premium to the Company;
- ii. "term of insurance" used in this Policy shall mean - a term corresponding with the period stated opposite the words "period of insurance" in the Schedule of this Policy or Section(s) of the Policy for which short term cover may apply and any one term of 12 (twelve) consecutive months consecutively thereafter.

b. Premium Payments

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

i. All premiums are to be paid in advance.

Monthly premium - is payable by monthly debit order against your selected bank account every month. If the debit date falls on a weekend or a public holiday, we will debit your account on the next working day.

Annual premium - if payment is to be made annually you may choose to pay it by cash or EFT within 30 days of the anniversary/inception date.

ii. Unpaid premiums

If your first premium after inception date (inception premium) is unpaid, your cover will lapse. If you cancel or stop payment on your debit order, your cover will automatically end on the last day of the month that we received premium for. If your debit is returned due to insufficient funds, you can request a forced debit for the outstanding amount, if the forced debit unpaid or we do not receive a request for a forced debit, the outstanding premium will be collected the following month, together with the new month's premium. If we still cannot collect this premium, the cover will end on the last day of the month that we receive premium for.

Although claims will be registered, no claims will be paid or considered if an outstanding premium is due to the company.

c. Period of Insurance

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

17. Payments on Account

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

18. Limitations and Amendments

Limitations of and amendments to the clauses, first amounts payable, terms, conditions, exceptions and extensions and premium payable of this Policy or any Section thereof may at any time be made by the Company; Provided that:30 (thirty days') written notice be given thereof to the Insured and Agent/Broker at his/her/their last known address.

19. Jurisdiction Clause

The Company will not indemnify the Insured in respect of:

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

20. Collective insurance

If this insurance is a collective insurance, then the following amendment is made to General Condition 7(a) and 7(d) above; "the Insured shall give the Leading Insurer on behalf of the Insurers such proofs, information and sworn declaration as the Insurers may require and forward to the Leading Insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim" and General Condition 10 is substituted by the following:

"10. Company's rights after an event:

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

21. First amount payable

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

22. Members

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

23. Holding cover

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

24. Schedule Sums Insured Blank

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

- a. left blank or has no monetary amount stipulated against it;
- b. reflected as nil or not applicable or not covered or no indemnity extended; this means the Defined Event or circumstance shown in the Schedule is not insured by the Policy.

25. Security Firms

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

26. Security Guards

The company will compensate the insured for the employment of guards necessary to protect the insured property following the occurrence of a defined event, but not exceeding R10 000 (ten thousand rand) for each event. The condition shall apply individually to the following sections of the policy:

1. Fire;
2. Buildings combined;
3. Office contents;
4. Theft;
5. Glass;
6. Goods in Transit;
7. Single Transit - General;
8. Business all Risks;
9. Electronic Equipment;
10. Home Owners;
11. Householders;
12. Single transit - Livestock, Pedigreed Animals and Game

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 aforementioned;
 - ii. war, invasion, act of foreign enemy, hostilities or warlike operations, whether war be declared or not, or civil war;
 - iii. a. mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege;
 - iii. b. insurrection, rebellion or revolution;
 - iv. any act whether on behalf of any organisation, body or person, or group of persons calculated or directed to overthrow or influence any State or Government, or any provincial, local or tribal authority with force, or by means of fear, terrorism or violence;
 - v. any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause or to bring about any social or economic change, or in protest against any State or Government, or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public, or any section thereof;
 - vi. any attempt to perform any act referred to in clause (iv) or (v) above;
 - vii. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause 1(A)(i), (ii), (iii), (iv), (v) or (vi), above. If the Company alleges that, by reason of clause 1(a)(i), (ii), (iii), (iv), (v), (vi) or (vii) of this Exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

b. This Policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No 85 of 1976), or any similar Act operative in any of the territories to which this Policy applies.

c. Notwithstanding any provision of this Policy including any Exclusion, Exception or Extension or other provision not included herein which would otherwise override a General Exception, this Policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense.

For the purpose of clause 1(c) of this General Exception, an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or Government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes including any act committed with the intention to influence any Government or for the purpose of inspiring fear in the public or any section thereof. If the Company alleges that, by reason of clause 1(c) of this General Exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

2. Nuclear Losses

Except as regards the Personal Accident, Fidelity Guarantee, Stated Benefits and Group Personal Accident Sections, this Policy does not cover any legal liability, loss, damage, cost or expense whatsoever or consequential loss directly or indirectly caused by or contributed to by or arising from:

- a. ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- b. nuclear material, nuclear fission or fusion, nuclear radiation;
- c. nuclear explosives or any nuclear weapon;
- d. nuclear waste in whatever form;
- e. regardless of any other cause or event contributing concurrently or in any other sequence to the loss. For the purpose of this Exception only, combustion shall include any self-sustaining process of nuclear fission.

3. Asbestos Exclusion

This Endorsement is applicable to the Public Liability, Employers Liability and Sub-Section D Liability of the Buildings Combined Sections as well as the Extended Personal Legal Liability Section of the Policy. Notwithstanding any provision of this Policy including any Exclusion, Exception or Extension or other Provision which would otherwise override a General Exception, this Policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

4. Computer Losses

General Exception applicable to all Sections of this Policy insuring damage to property or the consequences of damage to property or any liability. Notwithstanding any provision of this Policy including any Exclusion, Exception or Extension or other provision not included herein which would otherwise override a General Exception, this Policy does not cover:

- a. loss or destruction of or damage to any property whatsoever (including a computer) or any loss or expense whatsoever resulting or arising there from;
- b. any legal liability of whatsoever nature;
- c. any consequential loss directly or indirectly caused by or contributed to by or consisting of or arising from the incapacity or failure of any computer, correctly or at all:

- i. to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or;
- ii. to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such date, or;
- iii. to capture, save, retain or to process any information or code due to programme errors, incorrect entry or

the inadvertent cancellation or corruption of data and/or programmes, or;
iv. to capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any Trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media, programme or interference.

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

Special Extension to page 11 Computer losses General Exception 4

A. Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to below or indemnified by the Personal Accident, Glass, Employers Liability, Stated Benefits, Group Personal Accident, Motor or Motor Boat, Yacht and Small Craft Sections is not excluded by this General Exception. The special perils that are not excluded for the purpose of this Special Extension are damage caused by:

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

- a. arising from it 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. in any structure not completely roofed, unless so described and specifically insured as a separate item;
- f. being retaining walls, unless so described and specifically insured as a separate item;

2. aircraft and other aerial devices or articles dropped there from;

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

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

B. The above General Exception 4 also does not apply to consequential loss as insured by any Business Interruption Indemnity provided by this Policy to the extent that such consequential loss results from damage to insured property by the perils referred to in Special Extension (A) above.

C. This Special Extension will not insure any loss, destruction, damage or consequential loss if it would not have been insured in the absence of this Computer Losses General Exception and this Special Extension.

D. This Special Extension shall not apply to any Public Liability Indemnity.

5. Coronavirus or Coronavirus Disease

This policy does not cover any loss directly or indirectly caused by, happening through, in consequence of or resulting from, in connection with or contributed to by;

1. any Coronavirus or Coronavirus disease including but not limited to SARS-CoV2 / COVID-19, Avian Influenza, Severe Acute Respiratory Syndrome Coronavirus (SARS-CoV).
2. any mutation or variation of 1. above.
3. any infectious epidemic/pandemic (if classified either way by the appropriate national or international body/agency) which leads to:
 - a. the imposition of quarantine or restriction in movement of people or animals by the national or international body or agency; and/or
 - b. any travel advisory or warning being issued by a national or international body or agency.
4. arising from any fear or threat (whether actual or perceived) of the above.
5. any action taken in controlling, preventing, suppressing or in any way relating to any outbreak of the above.

If the Company alleges that by reason of this exclusion loss is not covered by this policy the burden of proving the contrary shall rest on the Insured.

6. Electricity Grid Failure Exclusion

Notwithstanding any provision of any section of this Policy including any Exclusion, Condition, Exception, Insured Peril, Extension or other provision not mentioned herein, this Policy does not cover any loss, damage/s (physical or financial), cost or expense of any type whatsoever, legal liability, or any consequential loss directly or indirectly caused by, attributable to, arising out of, resulting from, following or in any way in consequence of or in connection with any Electricity Grid Failure (as defined below).

Electricity Grid Failure is an interruption to or suspension of electricity supply, in any manner, from whatsoever source, and for any reason (including damage and any inability and/or failure on the part of the supplier) which affects an entire municipality (including local, district, regional or any other level that is created by law) or province or the country at substantially the same time, including any interruption, power surge or suspension at the reconnection or reinstatement of electricity supply.

This exclusion also applies to consequential losses in respect of any public utilities that are affected by Electricity Grid Failure including, but not limited to, the disruption of water, telecommunications and sewage systems as well as the deterioration of stock, food or other items.

This exclusion does not apply to Loadshedding (defined below) which remains covered subject to the remaining terms and conditions set out in the policy.

Loadshedding is the intentional, total or partial, withholding of electricity supply (from any source) by any party other than the insured implemented in phases which do not affect a municipality (including local, district, regional or any other level that is created by law) or province or the country at substantially the same time.

SECTION 5: OMBUDSMAN

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

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

SECTION 6: FIRE

DEFINED EVENTS

If the property of the Insured or property held in trust by the Insured or for which the Insured is responsible including alterations by the insured as tenants to the buildings and structures as described in the Schedule or any part thereof shall be damaged or destroyed the Company shall pay to the Insured the value of the property at the time of the occurrence of its destruction or the amount of such damage or at its option reinstate, replace or repair such property or any part thereof up to the sum insured as stated in the schedule following any of the under mentioned perils:

- 1. Fire;**
- 2. Lightning or Thunderbolt;**
- 3. Explosion;**
- 4. Earthquake.**

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

5. Special Perils.

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

5.1 storm, wind, water, hail or snow excluding loss of or damage to property:

- a. arising from it undergoing any process necessarily involving the use or application of water;
- b. caused by tide 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 describe and specifically insured as a separate item;
- e. in any structures not completely roofed;
- f. being retaining walls.

5.2 aircraft, other aerial devices or articles dropped there from;

5.3 impact by animals, trees (excluding falling trees whilst contractors are engaged in the felling thereof), aerials, satellite dishes or vehicles excluding destruction of or damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

Special perils do not cover the following:

- a. plastic- and/or all other tunnels;
- b. poultry younger than 6 (six) weeks;
- c. wear and tear or gradual deterioration;
- d. destruction or damage caused or aggravated by:
 - i. leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby;
 - ii. subsidence or landslip;
 - iii. the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage.

6. Malicious Damage

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

6.1 movable property which is:

- a. stolen;
- b. damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;

6.2 movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured;

6.3 immovable property owned or occupied by the Insured occasioned by or through or in consequence of:

- a. the removal or partial removal or any attempt thereof of;
- b. the demolition or partial demolition or any attempt thereof of; the said immovable property or any part thereof with the intention of stealing any part thereof.

This Extension does not cover:

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

If the Company alleges that by reason of provisos (a), (b), (c), (d) or (e) loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured. If any building insured or containing the insured property becomes unoccupied for 30 (thirty) consecutive days, the insurance in respect of this extension is suspended as regards the property affected unless the Insured, before the occurrence of any damage, obtains the written agreement of the Company to continue this Extension. During the period of the initial unoccupancy of 30 (thirty) consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% (twenty percent) of the claim before deduction of any First Amount Payable.

7. Spontaneous Combustion

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

SPECIFIC EXCEPTIONS

This Section does not cover:

1. any loss of or damage as a result of structural defects, faulty design, defective workmanship and maintenance, normal wear
2. and tear and corrosion;
3. any loss or damage to spray irrigation systems on wheels and centre pivots;
any loss to:
 - a. computer systems records;
 - b. securities, obligations or cheques;
 - c. explosives.unless otherwise expressly stated in this Section.
4. any loss of or damage occasioned by or through or in consequence, directly or indirectly by:
 - a. it, undergoing any heating or drying process (unless specifically included);
 - b. the act of any lawfully constituted authority.
5. any loss or death of livestock, game or ostriches;
6. growing crops;
7. standing or felled trees;
8. cotton;
9. growing tobacco;
10. contents of any type of covering forming part of or used in connection with tunnels;
11. any loss or damage if any building insured or containing the insured property becomes unoccupied for 30 (thirty)

consecutive days, the insurance in respect of this section is suspended as regards the property affected unless the Insured, before the occurrence of any damage, obtains the written agreement of the Company to continue this Section.

EXTENSIONS

1. Rebuilding Costs

The insurance under this Section covers costs necessarily incurred by the Insured to repair or replace the buildings or machinery in respect of the following as a result of loss or damage caused by any of the insured events;

- a. Architects', Surveyors', Consulting Engineers' and other fees approved by the Company; demolition, debris removal (including stock debris) or the erection of pavement hoardings during rebuilding operations;
- b. costs to comply with Building Regulations framed in accordance with any act of parliament or by ordinance of any municipal or other local authority; Provided that: the liability of the Company in respect of these costs will not exceed 20% (twenty per cent) of the Sum Insured.

2. Designation of Property

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

3. Public Authorities' Requirements (applicable to buildings only)

The insurance under this Section shall include such additional cost of repairing or rebuilding the damaged insured property as may be incurred solely by reason of the necessity to comply with building or other regulations under, or framed in pursuance of, any act of parliament or ordinance of any provincial, municipal or other

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

4. Public Supply Connections

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

5. Reinstatement Value

In the event of the property (other than stock, game and/or ostriches and motor vehicles as defined in the Motor Section of this Policy) being damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new;

Provided that:

- a. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch, and in any case must be completed within 12

(twelve) months after the destruction or damage or within such further time as the Company may (during the said 12 (twelve) months) in writing allow, otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;

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

6. Temporary Removal

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

Provided that:

- a. unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of the Company shall not exceed 15% (fifteen per cent) of the sum insured;
- b. the amount payable under this Condition shall not exceed the amount that would have been payable had the loss occurred on that part of the premises from which the property was temporarily removed.

7. Capital Additions

The insurance under this Section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property other than stock and materials in trade for an amount not exceeding 25% (twenty five 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 pay the appropriate additional premium thereon.

8. Disposal of Salvage

Without diminishing the rights of the Company to rely on the provisions of General Condition 10 (a)(i) of this Policy, in the event of loss, the Company agrees that it will not sell or otherwise dispose of any property which is the subject of a claim hereunder without the consent of the Insured;

Provided that:

the Insured can establish to the satisfaction of the Company that to do so will prejudice their interests, in which event the Company agrees to give the Insured first option to repurchase such property at its fair, intrinsic value or market value whichever is the greater. The Insured shall not be entitled under the provisions of this Condition to abandon any property to the Company whether taken possession of by the Company or not.

9. Builders Risk

Whilst the property described in the Schedule is under construction or is subject to additions, alterations or repair work and until it is finally completed Defined Event 5 Special Perils is deemed to read as follows:

2. Special Perils

This Section covers loss of or damage to the property described herein directly caused by:

- a. storm;
- b. aircraft, other aerial devices or articles dropped there from;
- c. impact by animals, trees (excluding falling trees whilst contractors are engaged in the felling thereof) or vehicles.

This extension 2 does not cover loss of or damage to:

- a. caused by tidal wave originating from earthquake or volcanic eruption;
- b. in the underground workings of any mine;
- c. in the open (other than buildings, structures and plant designed to exist or operate in the open);
- d. in any structures not completely roofed;
- e. to retaining walls;
- f. the first R250 (two hundred and fifty Rand) of each and every claim over and above any Compulsory First Amount Payable which may be applicable;
- g. as a result of wear and tear or gradual deterioration;
- h. caused or aggravated by:
 - i. leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby;
 - ii. subsidence or landslip.
 - iii. to animals, trees, aerials, satellite dishes or property in or on vehicles;
- j. as a result of impact with any of the property insured by any animal or vehicle belonging to, in the custody of and/or under the control of any contractor or subcontractor or any of their employees whilst engaged with:
 - i. the construction of or completion of the insured property;
 - ii. architectural alterations and/or additions to and/or restoration to the insured property or the completion of such alterations, additions or restorations.

10. Mortgagee

The interest of any mortgagee in the insurance under Column 1 of the Schedule of this Section shall not be prejudiced by any act or omission on the part of the mortgagor without the mortgagee's knowledge. The mortgagee shall, however, inform the Company as soon as any such act or omission comes to his/her knowledge and shall be responsible for any additional premium payable from the date any increased hazard shall, in terms of this Condition be assumed by the Company.

11. Fire extinguishing Charges

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

12. Alterations and Misdescription

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

13. Rent (if insured under column 2)

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

- a. 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;

- b. Rent payable: the actual rent payable by the Insured to the owner or landlord of the said premises;
- c. Rental value: actual rental value of the said premises. The amount payable in terms of this Special Condition shall be in the proportion which the amount insured bears to the actual rent receivable/rent payable or rental value of the premises as the case may be and if the premises are not untenable during the whole of the aforesaid term, the Company shall only be liable to pay such proportion of the amount payable as the period of time during which the premises may remain untenable bears to the whole term specified above, but the period shall not exceed the time which would be required to place the premises in a tenable condition.

14. All other Contents

The term, "All other contents" used in this Section is extended to include:

- a. money and stamps for an amount not exceeding R5 000 (five thousand rand);
- b. documents, manuscripts, business books, plans, computer system records and media designs but only for the value of materials and sums expended in labor on the said articles and not for the value to the Insured of the information contained therein;

15. Railway and other Subrogation

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

16. Tenants

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

17. Vehicle Load

In the event of any of the Insured's vehicles being left loaded overnight whilst in or on the premises described in the Schedule hereto the Company shall indemnify the Insured in respect of such load in the event of loss or damage by any of the perils insured against by this Section.

18. Workmen

Contractors may work in or on any of the buildings described herein without prejudice to this insurance.

19. Computer Systems Records

The insurance of any item of computer systems records shall be limited to the costs of material together with the costs of clerical labour and computer time expended in reproducing such records (excluding any expenses in connection with the production of information to be recorded therein) and not the value to the Insured of the information contained therein.

20. Accidental Damage to Geysers and Water Pipes

Accidental damage to geysers and water pipes, the property of the insured, installed in and forming part of the buildings or structures as stated in the schedule; Provided that:

- a. this extension does not cover structural defects, faulty design, poor workmanship, wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions);
- b. if any building or structure insured becomes unoccupied for more than 30 (thirty) consecutive days, the insurance in respect of this extension if suspended;
- c. the liability of the Company shall not exceed R10 000 (ten thousand rand).

21. Water leaks/loss of water

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

- a. in the event of the quarterly reading of water consumption exceeding the average of the last previous 4 (four) quarterly readings by 50% (fifty per cent) or more the Company will indemnify the Insured for the cost of such additional water consumed up to a limit of R15 000 (fifteen thousand rand);

- b. up to a maximum of R50 000 (fifty thousand rand) shall be payable in any 12 (twelve) month period of insurance;
- c. the Company will pay in addition for the cost of identifying water leaks on the premises up to R5 000 (five thousand rand) per event or R10 000 (ten thousand rand) during any one insurance period;
- d. it shall be a condition precedent to liability under this Extension that the Insured shall upon discovery of a leak (by physical evidence or on receipt of an abnormally high-water account) take immediate steps to repair the pipe(s) affected;
- e. this Extension does not cover the cost of remedial action including repairs to pipe(s) affected;
- f. the Company shall not be liable for claims:
 - i. as a result of leaking taps, geysers, toilet systems and swimming pools;
 - ii. whilst the property is unoccupied for a period in excess of 30 (thirty) days;
 - iii. where the water level of a swimming pool had to be topped up as a result of a leaking inlet or outlet pipe.

22. Damage by Wild Monkeys, Wild Baboons or Wild Animals

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

- a. Wild monkeys, wild baboons or wild animals shall mean those that live freely in the natural surroundings and are not kept as pets or farm animals, excluding rodent, moth and vermin;
- b. The Company's liability will not exceed R12 000 (twelve thousand rand) in respect of any one occurrence.

23. Power Surge

The Company will indemnify the Insured for damage to insured property caused directly by a power surge on the power line of a public supply authority subject to a limit of R50 000 (fifty thousand rand) in respect of any one claim or the amount stated in the Schedule.

24. Cost of Removal of Fallen Trees

The insurance under this Section covers costs reasonably and necessarily incurred in removing trees or parts of trees from the buildings or premises as described in the Schedule that have fallen following a defined event; Provided that:

- a. the Company's liability will not exceed R10 000 (ten thousand rand) any one occurrence;
- b. such costs will be subject to the Company's prior written consent.

25. Subsidence and landslip (Limited cover)

This Section is extended to cover: Loss or damage caused by Subsidence and Landslip; Provided that:

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

This Extension does not cover:

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

Special Condition

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

SPECIFIC CONDITIONS

1. Storage and Processing of Hay, Fodder and Chaff as well as Stacks in the Open

It is a condition precedent to liability of the Company that all combustible material and vegetation within an area of at

least 5 (five) meters in width in the immediate vicinity of the insured building or structure concerned in which crude fodder of any kind is kept or stored shall be cleared and removed from the site. This condition is only applicable to the building and contents of the building which is the subject of a claim. In respect of fodder stored in stacks in the open it is a condition that all combustible material and vegetation within an area of at least 15 (fifteen) meters in width on all sides of each stack shall be cleared and removed from the site;

2. Underinsurance

a. Not applicable to windmills

If the property insured at the time of any loss be collectively of greater value than the sum insured thereon then the Insured shall be considered as being his own insurer for the difference and shall bear a ratable share of the loss accordingly. Every item, if more than one, of this Section shall be separately subject to this Condition.

b. Applicable to windmills

If at the time of any loss or damage to windmills as insured under this Section against the Perils as defined herein it is found that the number of the windmills is higher than the number insured then the Insured shall be considered as being his own insurer for the difference and shall bear a ratable share of the loss accordingly. Every item, if more than one, shall be separately subject to this Specific Condition.

3. Lightning Conductors

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

4. Poultry

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

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

5. Hammer Mills

In respect of the insurance by this Section it is a condition precedent to liability of the Company that no process of milling is carried out within any insured building or structure or within an area of at least 5 (five) meters from such building or structure.

6. Paddock and Boundary Fences (cover is restricted to fire and lightning only)

In respect of paddock and boundary fences the following conditions shall apply:

- a. paddock and boundary fences must at all times be insured for the new replacement value and the Company's maximum liability is limited to the sum insured as specified in the schedule and the terms as contained in Specific Condition 2(a) "Underinsurance" of this Section shall apply accordingly;
- b. all paddock and boundary fencing of the Insured must be insured;
- c. the Company shall not be liable for loss of or damage to paddock and boundary fences if it is found that such fencing was not in an insurable condition at the commencement of cover;
- d. indemnity will be limited to the cost of materials and labor costs to replace or repair the destroyed or damaged property to the same position but not better than when it was new.

However, the Company's exposure will in no case exceed the limit of indemnity as stated in the schedule to the specific item (s) affected by the loss or damage.

7. Pallets (if stated in the schedule to be included)

It is a condition precedent to liability that all stock is placed onto pallets, shelves or the like and raised at least 150mm (one hundred and fifty millimeters) off the floor. In the event of noncompliance with this condition, the Company shall not indemnify the Insured in respect of water damage to such stock.

8. Breach of Conditions

The conditions of this Section shall apply individually to each of the risks insured and not collectively to them. Thus a breach of any condition shall void the Section only in respect of all the risks to which that breach applies and does not affect the Section in respect of the other risks.

9. Plant Material Indemnification

The cost of the insured plant material, reasonable labor cost, fertilization and disease/pest control remedy needed for the initial planting to replace the lost or damaged plant material. The liability of the Company will be limited to the cost of replacement of the damaged or lost plant material (as if it was young plant material) with the same kind or cultivar that was damaged or lost subject to the limit contained in the schedule. For the sake of clarity the Company will not be liable for the cost of replacement of a damaged or lost plant with a plant of the same age and value but rather the Company shall be liable only for the costs of plant material up to six months old of the same variety.

10. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

ENDORSEMENTS APPLICABLE IF SO, STATED IN THE SCHEDULE

1. Escalator Clause (excluding stock)

During each period of insurance, the sum(s) insured under columns 1 and/or 3 of this Section shall be increased by that portion of the percentage specified in the Schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the sum(s) insured in force at the commencement of the period of insurance. At each renewal date, the Insured shall notify the Company of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this clause shall cease to apply. The additional premium for this extension shall be 50% (fifty percent) of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this Extension applies.

2. Riot and strike

At the payment of an additional premium and subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained therein, this Section is extended to cover damage directly occasioned by or through or in consequence of:

1. civil commotion, labor 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;

This extension does not cover:

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

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

3. Leakage

In consideration of the payment of an additional premium the insurance by this Section is extended to include the following:

Damage caused by discharge or leakage from any sprinkler, drencher system or fire extinguishing installations/appliances. "If a first loss limit is shown against this additional peril in the Schedule, the amount of such limit shall be the maximum liability of the Company in respect of any one event and, for the purposes of this Extension only, the following underinsurance condition shall be substituted for the condition herein before expressed. If the property insured is, at the commencement of any damage to such property by discharge or leakage, collectively of greater value than the sum insured thereon against fire damage, then the Company shall be liable under this Extension only for that proportion of the first loss limit as the sum insured against fire bears to the total value of such property and the Insured shall be considered as being their own insurer for the difference and shall bear a ratable share of the loss accordingly. Every item, if more than one, to which this Extension applies shall be separately subject to this clause."

4. Stock Declaration Conditions

In respect of stock and materials in trade insured under this Section being subject to the stock declaration conditions, the premium is calculated on 75% (seventy-five per cent) of the sum or sums insured thereon, subject to the following specific conditions:

1. a. the Insured shall declare to the Company in writing the market value of their stock and materials in trade on the last day of each month/quarter (as stated in the Schedule) and shall make such declaration within 30 (thirty) days 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 differs from the provisional premium, the difference shall be payable by or to the Insured as the case may be, but the amount payable by the Company shall not exceed 50% (fifty per cent) of the provision a 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 3 the provisions of the Specific Condition relating to average;
4. in consideration of the insurance not being reduced by the amount of any loss, the Insured shall pay additional premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment premium;
5. the liability of the Company shall not exceed the sum insured and premium shall not be receivable on values in excess thereof;
6. the above Specific Conditions shall apply separately to each item of the specification to which these stock declaration conditions apply.

5. Subsidence and Landslip (Extended cover)

In consideration of the payment of an additional premium this Section is extended to cover: Loss or damage caused by Subsidence and Landslip; Provided that: For the purpose hereof any damage shall be deemed to be damage caused by fire; This Extension does not cover:

- a. damage to septic or conservancy tanks, drains, water courses, unless the building(s) is damaged at the same time by the same event;
- b. damage caused by or attributed to by:
 - i. faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises;
 - ii. workmen engaged in making any structural alterations, additions, or repairs to any building situated at the insured premises;
 - iii. excavation on or under land other than excavation in the course of mining operations;
- c. consequential loss of any kind whatsoever except loss of rent when specifically insured under this Section.

Special Condition

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

SECTION 7: BUILDINGS COMBINED

DEFINED EVENTS

The Company will indemnify the Insured in respect of:

Loss of or damage to the buildings including all outbuildings thereto, constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the Schedule and sporting and recreational structures, landlord's fixtures and fittings therein and thereon, walls (except dam walls), gates, posts, fences (other than hedges) and tarred or paved roads, driveways, septic sewerage tanks, paths or parking areas situated as stated in the Schedule by any of the Perils described in Sub-Section A and public supply or main connections by the Perils described in Sub-Section B and rent as provided for in Sub-Section C and liability as provided for in Sub-Section D.

SUB-SECTION A – LOSS OR DAMAGE

To the buildings stated in the schedule, caused by the under mentioned perils:

1. fire, lightning, thunderbolt, subterranean fire, explosion;
2. storm, wind, water, hail or snow, but excluding loss or damage:
 - a. that arises from it undergoing any process necessarily involving the use or application of water;
 - b. as a result of wear and tear or gradual deterioration;
 - c. by subsidence or landslip;
 - d. to gates, posts and fences not constructed of stone, concrete or brick;
 - e. to retaining walls;
3. earthquake;
4. aircraft and other aerial devices or articles dropped there from;
5. impact by animals, trees, except falling trees whilst contractors are engaged in the felling thereof, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes, vehicles or property in or on such vehicles;
6. malicious damage (as defined in Sub-Section E);
7. theft or any attempt thereat following forcible and violent entry into or exit out of any building;
8. theft from the building of landlord's fixtures and fittings therein and thereon limited to R30 000 (thirty thousand
9. rand) or the amount stated in the Schedule;
accidental damage to sanitary ware.

SPECIAL EXCEPTIONS TO SUB-SECTION A

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

SUB-SECTION B – DAMAGE TO PUBLIC SUPPLY MAIN CONNECTIONS

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

SUB –SECTION C – LOSS OF RENT

Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 30 % (thirty per cent) of the sum insured on the affected property. The basis of calculation shall be the rent payable immediately preceding the damage or its equivalent in rental value.

SUB-SECTION D – LEGAL LIABILITY

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

1. accidental death of or bodily injury to or illness of any person, hereinafter termed injury; or
2. accidental physical loss of or physical damage to tangible property, hereinafter termed damage, occurring during the period of insurance, on or in the property insured and arising from the Insured's ownership thereof; Provided that: the amount payable inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source shall not exceed the amount of R2 500 000 (two million five hundred thousand rand).

SPECIAL PROVISIONS TO SUB-SECTION D

- a. In respect of this Sub-Section only, General Exception 1 is deleted and replaced by the following:
 "This Sub-Section does not cover injury, damage or liability directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities, whether war be declared or not, civil war, mutiny, insurrection, rebellion, revolution or military or usurped power."
- b. 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.
- c. The Company will also indemnify as though a separate Policy had been issued to each, but not in excess of the limit of indemnity stated:
 - i. in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured;
 - ii. any partner or director or member or employee of the Insured, if the Insured so requests, against any claim for which the Insured are entitled to indemnity under this insurance.

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

SPECIAL EXCEPTIONS TO SUB-SECTION D

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

- a. liability assumed by agreement unless liability would have attached to the Insured notwithstanding such agreement;
- b. i. liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination; Provided that:
 this Exception shall not apply where such seepage, pollution or contamination is caused by a sudden unintended and unforeseen occurrence;
- ii. the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden unintended and unforeseen occurrence.
 This Exception shall not extend this Section to cover any liability which would not have been insured under this Section in the absence of this Exception.
- c. injury or damage sustained by:
 - i. any member of the same household as the Insured;
 - ii. any person employed by the Insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the Insured;
 - iii. any other person resulting from the ownership of or use by or on behalf of the Insured of mechanically propelled vehicles, except pedal cycles and lawnmowers;
- d. damage to property:
 - i. a. belonging to the Insured;
 - b. in the custody or control of the Insured or any employee of the Insured;
 - ii. caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;
- e. fines, penalties, punitive, exemplary, or vindictive damages.

SUB-SECTION E – MALICIOUS DAMAGE

This Section is extended to cover loss or damage directly occasioned by or through or in consequence of the deliberate

or willful or wanton act of any person committed with the intention of causing such loss or damage other than loss or damage to:

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

This Extension does not cover:

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

If the Company alleges that by reason of proviso (a) (b) (c) (d) or (e) loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured. If any building insured or containing the insured property becomes unoccupied for 30 (thirty) consecutive days, the insurance in respect of this Extension is suspended as regards the property affected unless the Insured, before the occurrence of any damage, obtains the written agreement of the Company to continue this Extension. During the period of the initial unoccupancy of 30 (thirty) consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% (twenty per cent) of the claim before deduction of any First Amount Payable.

SUB-SECTION F – DAMAGE TO WATER TANKS, WATER APPARATUS OR WATER PIPES

Loss of or damage to water tanks, water apparatus or water pipes the property of the Insured installed in the buildings described in the Schedule.

SPECIFIC CONDITIONS & EXTENSIONS

1. Rebuilding Costs

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

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

Provided that:

the liability of the Company in respect of these costs' payable in addition to any other payment will not exceed 25% (twenty-five per cent) of the Sum Insured. the liability of the Company in respect of these costs' payable in addition to any other payment will not exceed 25% (twenty-five per cent) of the Sum Insured.

2. Capital Additions

The insurance under this Section covers alterations, additions and improvements, but not appreciation in value in excess of the sum(s) insured) to the property, for an amount not exceeding 25% (twenty five 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.

3. Fire Extinguishing Charges

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

4. Mortgagee

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

5. Public Authorities' Requirements

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

Provided that:

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

6. Railway and Other Subrogation

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

7. Reinstatement Value

In the event of property other than stock being damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new;

Provided that:

- a. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch, and in any case must be completed within 12 (twelve) months after the destruction or damage or within such further time as the Company (during the said 12 (twelve) months) in writing allow, otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;

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

8. Temporary Removal

Except in so far as otherwise insured, landlord's fixtures and fittings are covered while temporarily removed to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;

Provided that:

the amount payable under this Specific Condition shall not exceed that which would have been payable had the loss occurred on the premises from which the property is temporarily removed.

9. Tenants

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

10. Underinsurance (not applicable to Accidental Damage of Sub-Section A)

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

11. Security firms (in respect of Sub-Section D – Liability)

Notwithstanding Specific Exception (a) of Specific Exceptions applicable to Sub-Section D 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 Sub-Section includes such legal liability to the extent that indemnity would have been granted under this Sub-Section had the said employees been under a contract of service to the Insured and not the security firm, but not exceeding the limit of liability stated in the Schedule for this Sub-Section. If, at the time of an occurrence-giving rise to a claim, the security firm is entitled to indemnity under any other Policy in respect of the same event, the Company shall not be liable to make any payment except in respect of any amount above the amount payable under such other Policy.

12. Lightning Conductors

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

13. Power Surge

The Company will indemnify the Insured for damage to insured property caused directly by a power surge on the power line of a public supply authority subject to a limit of R50 000 (fifty thousand rand) in respect of any one claim or the amount stated in the Schedule.

14. Loss of locks and keys

This Section is extended to indemnify the Insured in respect of the cost of replacing locks and keys including the remote and/or alarm controller and, if necessary, the reprogramming of such coded alarm system of the insured property following upon loss of or damage to the lock or key, remote or alarm controller or upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key, remote or alarm controller.

This Section also covers the reasonable expenses incurred in an emergency to call in a locksmith as a result of the loss of such keys, remote and/or alarm controller; Provided that:

The liability of the Company in respect of any one loss shall not exceed R10 000 (ten thousand rand).

15. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule

16. Subsidence and landslip (Limited cover)

This Section is extended to cover: Loss or damage caused by Subsidence and Landslip; Provided that:

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

This Extension does not cover:

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

b. damage caused by or attributed to by:

- i. faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises;
- ii. workmen engaged in making any structural alterations, additions, or repairs to any building situated at the insured premises;
- iii. excavation on or under land other than excavation in the course of mining operations;

c. consequential loss of any kind whatsoever except loss of rent when specifically insured under this Section.

Special condition

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

17. Temporary Repairs

The Company will reimburse the Insured all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or damage giving rise to a claim under this Section; Provided that: the Company's liability shall not exceed the greater of R20 000 (twenty thousand rand) or the amount stated in the Schedule in respect of any one event.

ENDORSEMENTS IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Riot and Strike

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

1. civil commotion, labor 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;

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.

2. Escalator Clause

During each period of insurance, the sum(s) insured under Sub-Section A of this Section shall be increased by that portion of the percentage specified in the Schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the sum(s) insured in force at the commencement of the period of insurance. At each renewal date, the Insured shall notify the Company of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this Extension shall cease to apply. The additional premium for this Extension shall be 50% (fifty percent) of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this Extension applies.

3. Prevention of access Extension Applicable to Sub-Section C

If property within a 10 (ten) km radius of the premises stated in the Schedule is lost or damaged by a peril defined in Sub-Section A during the period of insurance and this prevents or hinders the use of or access to the property insured by this Section, the Company will pay any loss of rent the Insured may incur as a result thereof up to an amount not exceeding 25% (twenty five 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.

4. Guesthouse Accommodation and Lodging

1. Additional perils in respect of guesthouse accommodation and lodging

At the payment of an additional premium and notwithstanding anything contained herein to the contrary the following perils in respect of Sub-Section A of the Defined Events are added/amended in terms of this Section:

the escape of water from washing machines or dishwashers and the bursting or overflowing of water tanks, water apparatus or water pipes including damage to the water tanks, water apparatus or water pipes and the accidental leakage of oil from fixed oil-fired heating installations;

collapse or breakage of antennae, satellite dishes as well as damage to these items, if they form a fixed part of the insured building(s) and damage was caused by perils 1 to 7 of Sub-Section A of this Section;

accidental damage to, fixed glass and mirrors against walls, in windows, doors, fanlights, skylights, solar heating systems, fixed external signs and verandas, stove glass tops, fixed wash basins, baths, pedestals, sinks, lavatory pans and splash-backs, but excluding chipping, scratching and other disfiguration, forming fixed part of the building(s);

accidental loss of or damage, excluding wear and tear, to fixed swimming pool and jacuzzi machinery or borehole pumps, excluding windmills, for domestic use only, electrified gates and garage doors installed at the insured building(s) in use as guesthouse(s);

Provided that:

the liability of the Company shall not exceed R5 000 (five thousand rand) in respect of any one occurrence;

14. accidental discharge or leakage from fire extinguishing installations or appliances;

15. total or partial failure of the public supply of electricity to the premises of the Insured;

Provided that:

this Extension does not cover loss or damage resulting from damage directly or indirectly caused by:

a. shortage of fuel or water;

b. a fault on any part of the installation belonging to the premises;

c. the exercise of an authority, empowered by law to supply electricity, of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to damage to property of such authority.

The Company shall not be liable in terms of this Extension 15 unless such interruption or interference extends beyond 24 (twenty-four) hours;

16. Loss or Damage to Stock in refrigeration and/or Cooling Units

at the premises by deterioration or putrefaction caused by:

a. a change in temperature resulting from:

i. failure of the unit or non-operation (from any inherent cause) of any thermostatic device controlling the plant or failure of the wiring from the main switch to ancillary switches or power plugs and between ancillary

switches and power plugs and the driving motor including the failure of power plugs and switches;

- ii. failure of the public supply of electricity and/or gas at the terminal ends of the supply authority's device feeders to the premises;
 - iii. the wrongful setting of any thermostatic device including the accidental switching off of the supply controlling the plant;
- b. the action of refrigerant fumes, which have escaped from the unit;

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 power to withhold or restrict the supply of electricity and/or gas;
- ii. more than R35 000 (thirty-five thousand rand) any one event or occurrence.

The Insured is responsible for a First Amount Payable as stated in the schedule in respect of each single claim as a result of the perils as described in 16(a) and (b) above;

17. Insured peril 7 in respect of Theft is amended to read as follows:

"7. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building or as a result of theft or any attempt thereat following violence or threat of violence. If any building insured or containing the insured property becomes unoccupied for 30 (thirty) consecutive days, this item is suspended as regards the property affected unless the Insured before the occurrence of damage obtains the written agreement of the Company to continue this Extension. During the period of the initial unoccupancy of 30 (thirty) days the Insured shall become a coinsurer with the Company and shall bear a ratable proportion of any damage equal to 20% (twenty per cent) of the claim before deduction of any First Amount Payable. The Company's liability is restricted to 25% (twenty five per cent) of the Sum Insured and the Insured shall be responsible for the first 10% (ten per cent) of claim with a minimum of R2 500 (two thousand five hundred rand) for each and every claim admitted in terms hereof".

2. Sub-Section C: Loss of Rent

The wording with regards to this Sub-Section is amended as follows:

"Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable, including partially untenable, but only for the period necessary for reinstatement and for an amount not exceeding 25% (twenty five per cent) of the Sum Insured applicable to buildings including fixed accessories therein or thereon. The basis of calculation shall be the rent payable by the Insured as lessee of the building(s) including fixed accessories therein or thereon immediately preceding the damage or if the Insured is not the lessee of the building(s) including fixed accessories therein or thereon, the rental equivalent thereof which they would receive as lessor for leasing all the building(s) including accessories therein or thereon to a single legal entity".

3. Loss of Locks and Keys

This Section is extended to indemnify the Insured in respect of the cost of replacing locks and keys including the remote and/or alarm controller and, if necessary, the reprogramming of such coded alarm system of the insured property following upon loss of or damage to the lock or key, remote or alarm controller or upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key, remote or alarm controller.

This Section also covers the reasonable expenses incurred in an emergency to call in a locksmith as a result of the loss of such keys, remote and/or alarm controller; Provided that: the liability of the Company in respect of any one loss shall not exceed R10 000 (ten thousand rand).

4. Damage to Garden

Costs reasonably and necessarily incurred by the Insured in the Insured's capacity as owner of the Buildings for the replacement of trees, shrubs and plants and water features situated at the Premises following damage due to any insured peril as defined under Sub-Section A –Property; Provided that: the Company's liability will not exceed R10 000 (ten thousand rand) in respect of any one occurrence.

5. External Sign Boards, canopies and Blinds

Costs reasonably and necessarily incurred by the Insured in the Insured's capacity as owner of the Buildings for the replacement of external sign boards, canopies and blinds situated at the Premises following damage due to any insured peril as defined under Sub-Section A – Property; Provided that: the Company's liability will not exceed R10 000 (ten thousand

rand) in respect of any one occurrence.

6. Mortality of Horses

This Section is extended to indemnify the Insured in respect of the death of horses being used for the sole purpose of the guesthouse activities following death due to fire and lightning only up to a maximum amount of R10 000 (ten thousand rand).

7. Costs of Removal of Fallen Trees

The insurance under this Section covers costs reasonably and necessarily incurred in removing trees or parts of trees from the dwelling(s) or premises as described in the Schedule that have fallen following a Defined Event as defined under Sub-Section A Property; Provided that:

- a. the Company's liability will not exceed R10 000 (ten thousand rand) any one occurrence;
- b. such costs will be subject to the Company's prior written consent.

5. Subsidence and Landslip (Extended cover)

In consideration of the payment of an additional premium this Section is extended to cover: Loss or damage caused by Subsidence and Landslip; Provided that:

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

This Extension does not cover:

- a. damage to septic or conservancy tanks, drains, water courses, unless the building(s) is damaged at the same time by same event;
 - i. faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises;
 - ii. workmen engaged in making any structural alterations, additions, or repairs to any building situated at the insured premises;
 - iii. excavation on or under land other than excavation in the course of mining operations;
- c. consequential loss of any kind whatsoever except loss of rent when specifically insured under this Section.

Special Condition

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

6. Inflation

The sum insured in respect of buildings insured hereby will be increased automatically each month by a percentage commensurate with price indices. No premium adjustment will be made until anniversary date when the premium will be calculated on the sum insured. This does not relieve the Insured of his/her responsibility to ensure that the sums insured represent the full replacement value of the property at all times.

SECTION 8: OFFICE CONTENTS

DEFINED EVENTS

If any of the contents of the Insured's offices situated at the premises as stated in the Schedule including landlord's fixtures and fittings the property of the Insured or any principal, partner, director or employee of the Insured or for which the Insured is responsible shall be lost or damaged by any of the perils specified in Sub-Section A the Company shall pay to the Insured the value of such contents at the time of the occurrence of such loss or damage or at its option repair or reinstate such contents or any part thereof, but excluding documents as defined in Sub-Section C and Electronic Data Processing Equipment or any property more specifically insured, like stocks, materials in trade and samples.

The Company shall pay for loss and/or expenditure described in Sub-Sections B and C. The Company shall pay for loss of or damage to the whole or part of the property insured as stated in the Schedule and described in Sub-Section D.

SUB-SECTION A – CONTENTS

1. fire, lightning, thunderbolt, subterranean fire, explosion;
2. storm, wind, water, hail or snow;
3. impact by animals, trees (except falling trees whilst contractors are engaged in the felling thereof), aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles;
4. aircraft and other aerial devices or articles dropped therefrom;
5. bursting or overflowing of water tanks, water apparatus or water pipes;
6. earthquake but excluding loss of or damage to property in the underground workings of any mine
7. malicious damage as defined in Extension 8;
8. accidental breakage of mirror glass, plate glass tops of furniture or fixed glass forming part of any article of furniture;

Provided that:

- a. the limit of liability shall in no case exceed in respect of each item the sum stated in the Schedule;
- b. the Company shall not be liable under this Section for loss of or damage to any motor vehicle or any accessories in or upon such motor vehicle, livestock, bonds including bearer bonds, bills of exchange, promissory notes, securities for money, stamps, negotiable documents, cash, currency or bank notes, jewelry, precious stones and the like.

SUB-SECTION B – RENT

The reasonable additional expenses necessarily incurred by the Insured in the event of any part of the Office Premises being so damaged or destroyed by any of the perils specified above as to be rendered untenable;

Provided that:

- a. the period for which the Office Premises shall be deemed untenable shall not exceed the time which would be required by a competent builder to put the Office Premises into a tenable condition and shall in no case exceed 12 (twelve) months;
- b. the liability of the Company under this Sub-Section shall be limited to 25% (twenty-five per cent) of the total sum insured as stated in the Schedule.

For the purpose of this Sub-Section, the term "Office Premises" shall be deemed to extend to any premises or portion thereof in the vicinity of the Office Premises, damage to which prevents or limits access to the Office Premises.

SUB-SECTION C – INCREASE IN COST OF WORKING

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

The indemnity under this Sub-Section shall not exceed 25% (twenty-five per cent) of the sum insured on all contents of the Office Premises affected.

SUB-SECTION D – DOCUMENTS

The Company shall pay up to the amount of R50 000 (fifty thousand rand) all costs, charges and expenses incurred by the Insured in replacing or restoring any Documents (as hereinafter defined) the property of the Insured or in his custody or control in consequence of such documents having been destroyed, damaged, lost or mislaid;

Provided that:

- a. the Insured shall cause diligent search to be made for the Documents;
- b. the Company shall not be liable hereunder for any loss or liability brought about or contributed to by the dishonesty of any of the Insured's principals, partners, directors or employees;
- c. the Company shall not be liable for claims resulting from electrical or magnetic injury or damage, disturbance or erasure of electronic or magnetic recordings except by lightning in which case the lightning loss or indemnifiable amount will be reduced by the greater of 10% (ten percent) of such amount or R1 000 (one thousand rand);
- d. the Company shall not be liable for loss or damage caused by vermin or inherent defect or by processing, copying or other work upon the documents;
- e. the Company shall not be liable for loss or damage caused by gradual deterioration or wear and tear;
- f. the liability of the Company under this Sub-Section in respect of Documents shall be limited to the value of the stationery materials together with the cost of clerical labor expended in writing up and not for the value to the Insured of the information contained therein.

SUB-SECTION E – LEGAL LIABILITY DOCUMENTS

The Company shall pay up to the amount of R50 000 (fifty thousand rand) in respect of legal liability as a direct consequence of loss of or damage to documents as defined in sub-section D and in respect of which payment, reinstatement or repair has been made or liability admitted by the Company under sub-section D unless such payment, reinstatement, repair or liability has not been made or admitted solely because the Insured is required to bear the first portion of the loss.

Specific Exception (applicable to Sub-section E)

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

DEFINITIONS**Documents**

Documents means films, tapes, addressograph plates, drawings, abstracts, mortgages, manuscripts, deeds, wills, agreements, maps, plans, records, written or printed books, letters, certificates or written or printed documents or forms of any nature (excluding any bearer bonds or coupons, stamps of any kind, securities, cheques, any written evidence of indebtedness or obligation, computer software and computer data carrying media, bank or currency notes or other negotiable paper) the property of or entrusted to the Insured which are actually in his possession or which are believed to be in his possession or in the hands of any other party to whom such documents have been entrusted by the Insured in the ordinary course of business.

Electronic Data Processing Equipment

Electronic Data Processing Equipment as mentioned under Defined Events of this Section is limited to computers and all related hardware, peripherals and computer software and the information or data stored therein or thereon.

EXTENSIONS**1. Contents away from offices**

This Section extends to include:

Loss of or damage to the office contents as specified above but excluding property belonging to any principal, partner, director or employee of the Insured as a result of any of the insured perils whilst;

- a. temporarily contained in any private residence, hotel, inn, boarding house or club in which the Insured or his principals, partners, directors or employees may be residing; or
- b. deposited for safe custody in any bank or safe deposit.

2. Workmen

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

3. Fire Extinguishing Charges

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

4. Tenant's Liability

All sums which the Insured shall become legally liable to pay to the landlord of the Office Premises arising from loss or damage by any of the perils specified above to such portion or portions of the said Office Premises (including fixtures and fittings the property of the landlord therein) as may be occupied by the Insured as tenant including all costs and expenses of litigation arising there from incurred by the Insured with the written consent of the Company; Provided that: the liability of the Company under this Extension shall be limited to R1 000 000 (one million rand) in respect of any term of insurance.

5. Loss of Locks and Keys

This Section is extended to indemnify the Insured in respect of the cost of replacing locks and keys including the remote and/or alarm controller and, if necessary, the reprogramming of such coded alarm system of the insured property following upon loss of or damage to the lock or key, remote or alarm controller or upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key, remote or alarm controller. This Section also covers the reasonable expenses incurred in an emergency to call in a locksmith as a result of the loss of such keys, remote and/or alarm controller; Provided that: the liability of the Company in respect of any one loss shall not exceed R10 000 (ten thousand rand).

6. Capital Additions

The insurance under this Section covers alterations, additions and improvements (but not appreciated in value in excess of the sums insured) to the property for an amount not exceeding 25% (twenty-five 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.

7. Debris Removal

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

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

8. Malicious Damage

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

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

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

Provided that the following is not covered:

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

If the Company alleges that by reason of proviso (a), (b), (c), (d) or (e) loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured. If any building insured or containing the insured property becomes unoccupied for 30 (thirty) consecutive days, the insurance in respect of this extension is suspended as regards the property affected unless the Insured, before the occurrence of any damage, obtains the written agreement of the Company to continue this Extension. During the period of the initial unoccupancy of 30 (thirty) consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% (twenty per cent) of the claim before deduction of any First Amount Payable.

9. Riot and Strike (if stated in the Schedule to be included)

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

1. civil commotion, labor 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 the following is not covered:

- 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
- d. any process or operation;
- e. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority; 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.

10. Theft As a Result of Violent Entry or Exit

The following Peril 9 is added to the Perils applicable to Sub-Section A – Contents.

9. Theft accompanied by forcible and violent entry to or exit from the offices or any attempt thereat or due to theft (or attempt thereat) following upon violence or threat of violence;

Provided that:

- a. the Company shall not be liable in respect of this Extension for theft or attempted theft by any principal, partner in or of, or director or employee of the Insured;
- b. the amount payable shall be reduced by the Compulsory First Amount Payable stated in Specific Condition 2(b) of this Section;
- c. the liability of the Company in respect of any one loss shall not exceed 25% (twenty five percent) of the sum insured of Office Contents;

- d. the Company shall not be liable in respect of personal effects being the property of the Insured or any principal, partner, director or employee of the Insured exceeding R2 500 (two thousand five hundred Rand) in respect of any one individual.

11. Theft (if stated in the Schedule to be included)

The following Peril 10 is added to the Perils applicable to Sub-Section A – Contents:

10. Theft or any attempt thereat except by a principal, partner in or of, or director or employee of the Insured;

Provided that:

- a. the amount payable shall be reduced by the Compulsory First Amount Payable stated in Specific Condition 2(c) of this Section;
- b. the maximum amount payable shall not exceed the sum insured stated in the Schedule for this Extension, less the Compulsory First Amount Payable;
- c. the Company shall not be liable in respect of personal effects being the property of the Insured or any principal, partner, director or employee of the Insured exceeding R2 500 (two thousand five hundred rand) in respect of any one individual.

12. Power Surge

The Company will indemnify the Insured for damage to insured property caused directly by a power surge on the power line of a public supply authority subject to a limit of R50 000 (fifty thousand rand) in respect of any one claim or the amount stated in the Schedule.

SPECIFIC CONDITIONS

1. Lightning Conductors

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

2. Underinsurance Not applicable to:

- a. Peril 8 of Sub-Section A – Contents;
- b. Optional Extension 11 – Theft (if insured on a first loss basis).

If the property hereby insured at the time of any loss be collectively of a greater value than the sum insured thereon then the Insured shall be considered as being his own insurer for the difference and shall bear a ratable share of the loss accordingly. Every item, if more than one, of this Section shall be separately subject to this Condition.

3. New and Additional Premises

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

Provided that:

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

4. Protections

It is a condition that the Insured shall fit all opening windows with burglar bars and all outside doors with security gates and maintain it in an efficient condition to prevent or hinder entry or exit by thieves. To the extent that any of these protections are defective at the time of any loss the Company shall not be liable under this Section unless the Insured shall prove that such defects:

- a. could not reasonably have been detected by the Insured or were detected but could not reasonably have been rectified before the loss occurred and that adequate alternative protection had been instituted and the Company notified as soon as possible;

- b. did not in any way contribute to the ability of the thieves to enter, remain in or escape from the premises or any section thereof or reduce the possibility of them being discovered.

5. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

ENDORSEMENTS IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Watchman

It is a condition precedent to all liability of the Company and so warranted that at the commencement of this insurance a watchman shall be employed for the protection of the premises at all times when the same are closed for business.

2. Burglar Alarm

In respect of any premises at which a burglar alarm system is installed it is a condition precedent to liability of the Company and warranted that:

- a. the burglar alarm system installed at the premises shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or employee of the Insured is on the premises;
- b. such burglar alarm system shall be maintained in proper working order, but the Insured shall be deemed to have discharged their liability therefore if they have maintained their obligations under a contract with the suppliers or servicing engineers of the alarm system.

This insurance shall not cover loss of or damage to the property following the use of the keys of the burglar alarm system or any duplicate thereof belonging to the Insured unless such keys have been obtained by violence or threat of violence to any person.

SECTION 9: BUSINESS INTERRUPTION

DEFINED EVENTS

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under:

1. the Fire Section of this Policy;
2. the Buildings Combined Section of this Policy;
3. the Office Contents Section of this Policy;
4. any other material damage insurance covering the interest of the Insured but only in respect of perils insured under the fire section hereof (hereinafter termed Damage).

Liability shall be deemed to have been admitted if such payment is precluded solely because the Insured is required to bear the first portion of the loss. The Company will indemnify the Insured in accordance with the provisions of the specification hereinafter set out;

Provided that:

- a. at the time of the occurrence of the damage there shall be in force an insurance covering the interest of the Insured in the property at the premises against such damage;
- b. the liability of the Company shall in no case exceed in respect of each item the sum insured as stated in the Schedule.

ITEM 1 - GROSS PROFIT (DIFFERENCE BASIS)

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

- a. reduction in turnover and
- b. increase in cost of working

and the amount payable as indemnity hereunder shall be

- i. 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
- ii. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the Damage

Provided that:

the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 (twelve) months.

ITEM 1 - GROSS PROFIT (ADDITIONS BASIS)

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

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

and the amount payable as indemnity hereunder shall be:

- i. 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;
- ii. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided less any sum saved during the indemnity period in respect of such of the insured standing charges as may cease or be reduced in consequence of the Damage

Provided that:

the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 (twelve) months.

Memo

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

ITEM 2 – GROSS RENTALS

The insurance under this item is limited to:

- a. loss of gross rentals; and
- b. increase in cost of working;

and the amount payable as indemnity hereunder shall be:

- i. 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;
- ii. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of rentals which but for that expenditure would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of gross rentals thereby avoided less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross rentals as may cease or be reduced in consequence of the Damage;

Provided that:

the amount payable shall be proportionately reduced if the sum insured in respect of gross rentals is less than the annual gross rentals where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 (twelve) months.

ITEM 3 – REVENUE

The insurance under this item is limited to:

- a. loss of revenue; and
- b. increase in cost of working;

and the amount payable as indemnity hereunder shall be:

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;

in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which but for that expenditure would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of revenue thereby avoided less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the Damage;

Provided that:

the amount payable shall be proportionately reduced if the sum insured in respect of revenue is less than the annual revenue where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual revenue where the maximum indemnity period exceeds 12 (twelve) months.

ITEM 4 – ADDITIONAL INCREASE IN COST OF WORKING

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

ITEM 5 – WAGES (NUMBER OF WEEKS BASIS)

The insurance under this item is limited to the loss incurred by the Insured by the payment of wages for a period

beginning with the occurrence of the Damage and ending not later thereafter than the specified number of weeks. The amount payable as indemnity under this item will be the actual amount which the Insured shall pay as wages for such period to employees whose services cannot, in consequence of the Damage, be utilised by the Insured at all and an equitable part of the wages paid for such period to employees whose services cannot, in consequence of the Damage, be utilised by the Insured to the full;

Provided that:

if the sum insured by this item is less than the aggregate amount of the wages that would have been paid during the specified number of weeks immediately following the Damage had the Damage not occurred, the amount payable will be proportionately reduced.

ITEM 6 – FINES AND PENALTIES FOR BREACH OF CONTRACT

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

DEFINITIONS

1. Indemnity Period

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

2. Turnover

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

3. Revenue

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

4. Gross Rentals

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

5. Gross Profit (difference basis)

The amount by which: the sum of the turnover and the amount of the closing stock shall exceed the sum of the amount of the opening stock and the amount of the uninsured costs;

Provided that:

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

6. Uninsured Costs

These are defined in the Schedule and the words and expressions used shall have the meaning usually attached to them in the books and accounts of the Insured.

7. Gross Profit (additions basis)

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

8. Net Profit

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

9. Insured Standing Charges

These are defined in the Schedule and the words and expressions used shall have the meaning usually attached to them in the books and accounts of the Insured

Standard turnover
Standard revenue
Standard gross rentals

The turnover (revenue) (gross rentals) during that period in the 12(twelve) months immediately before the commencement of the damage.

Annual turnover
Annual revenue
Standard gross rentals

The turnover (revenue) (gross rentals) during that period in the 12(twelve) months immediately before the commencement of the damage.

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

Annual gross rentals

The turnover (revenue) (gross rentals) during that period in the 12(twelve) months immediately before the commencement of the damage.

Rate of gross profit

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

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

Calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of damage.

Memo

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

SPECIFIC CONDITIONS

1. The insurance by this Section shall cease if:
 - a. the Business is wound up or carried on by a liquidator, curator, trustee or judicial manager or is permanently
2. On the happening of any Damage in consequence of which a claim may be made under this Section the Insured shall in addition to complying with General Conditions 7 and 10 of this Policy with due diligence do and concur in doing and permit to be done all things which may be reasonable practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss and in the event of a claim being made under this Section shall, not later than 30 (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 there from.
3. No claim under this Section shall be payable after the expiry of:
 - a. a period of 1 (one) year calculated from the end of the indemnity period; or
 - b. a period of 3 (three) months from the date on which payment shall have been made or liability admitted in respect of the insurance covering the interests of the Insured in the property at the premises against Damage from which the aforementioned claim arose unless the claim is the subject of pending legal action or the subject of arbitration under the provisions of General Condition 15 of this Policy.

CLAUSE AND EXTENSIONS

1. Auditors

Any particulars or details contained in the Insured's books of accounts or other business books or documents which

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

2. Accumulated Stocks

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

3. Departments

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

4. Deposit Premium

In consideration of the premium by items 1, 2 or 3 being provisional in that it is calculated on 75% (seventy five percent) of the sum insured, the premium is subject to adjustment on expiry of each term of insurance as follows: in the event of the gross profit/gross rentals/revenue earned (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12 (twelve)) during the financial year most nearly concurrent with any period of insurance being less or greater than 75% (seventy five percent) of the sum insured thereon, a pro rata return of additional premium not exceeding one third (1/3) of the provisional premium paid for such period of insurance will be made in respect of the difference. In the event of a claim being made under this Section, the amount paid or payable thereon shall be regarded as actually earned.

5. Output (alternative basis)

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

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

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

6. Payments on Accounts

In the event of a claim, the Company will make periodical payments on account to the Insured if desired.

7. Salvage Sale

If the Insured shall hold a salvage sale during the indemnity period, Clause (a) of item 1 (gross profit) shall, for the purpose 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."

8. Prevention of Access

Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of Damage (as referred to in this Section) to property in the vicinity of the premises which shall prevent or hinder the use

thereof or access thereto whether the premises or property of the Insured therein shall be damaged or not, shall be deemed to be loss resulting from Damage (as referred to in this Section) to property used by the Insured at the premises.

9. Storage and Transit

Loss as insured by this Section resulting from interruption of or interference with the business in consequence of Damage due to perils insured in terms of this Section to property:

- a. at premises where the Insured have stored or temporarily deposited property (either for processing or storage purposes) or are fulfilling a contract
- b. whilst in transit by air, road, railway or inland waterway
- c. being motor vehicles of the Insured elsewhere than at the Insured's premises
- d. at the premises of the Insured's associated and subsidiary companies shall be deemed to be loss resulting from Damage to property used by the Insured at the premises.

10. New business (only applicable when gross profit is insured)

For the purpose of any claim arising from Damage occurring before the completion of the first year's trading of the business at the premises the terms "Rate of Gross Profit", "Annual Turnover" and "Standard Turnover" shall bear the following meanings and not as stated within:

Rate of gross profit

The rate of the gross profit earned on the turnover during the period between the date of the commencement of the business and the date of the damage.

Annual Turnover

The proportional equivalent, for a period of 12 (twelve) months of the turnover realised during the period between the commencement of the business and the date of the damage.

Standard Turnover

The proportional equivalent, for a period equal to the indemnity period between the commencement of the business and the date of the damage.

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

Note: If the damage occurs before the completion of the first year's trading of the business at the premises, the value of the 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.

11. New business (only applicable when rent is insured)

For the purpose of any claim arising from Damage occurring before the completion of the first year's trading of the business at the premises the terms "Annual Gross Rentals" and "Standard Gross Rentals" shall bear the following meanings and not as stated within:

Annual Gross Rental

The proportional equivalent, for a period of 12 (twelve) months, of the rental realised during the period between commencement of the business and the date of the damage.

Standard Gross Rentals

The proportional equivalent, for a period equal to the indemnity period, of the rental realised during the period between the commencement of the business and the date of the damage.

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

Note: If the damage occurs before the completion of the first year's trading of the business at the premises, the value of the 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.

12. New business (only applicable when revenue is insured)

For the purpose of any claim arising from Damage occurring before the completion of the first year's trading of the business at the premises the terms "Annual Revenue" and "Standard Revenue" shall bear the following meanings and not as stated within:

Annual Revenue

The proportional equivalent, for a period of 12 (twelve) months, of the revenue realised during the period between the commencement of the business and the date of the damage.

Standard Revenue

The proportional equivalent, for a period equal to the indemnity period, of the revenue realised during the period between the commencement of the business and the date of the damage.

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

Note: If the damage occurs before the completion of the first year's trading of the business at the premises, the value of the 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.

13. Additional and New Premises

Loss as insured by this Section resulting from interruption of or interference with the business in consequence of Damage (as herein defined) to property at any premises in respect of which the Insured has entered into a contract to have constructed, to purchase, to lease or to rent shall be deemed to be loss resulting from damage to property used by the Insured at the premises Provided that: notice thereof is given to the Company as soon as reasonably practical and adjustment of premium be made if required.

14. Geographical Limits

The geographical limits in terms of Clauses 8 – Prevention of Access, 9 – Storage and Transit including Endorsement 1 (not applicable to specified suppliers), 2, 3, 4 and 5 are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi. The description of additional and new premises in terms of Clause M of this Section is confined to the Republic of South African and Namibia.

ENDORSEMENTS APPLICABLE IF SO, STATED IN THE SCHEDULE

1. Customers and Suppliers

In consideration of the payment of an additional premium any loss arising from interruption or interference with the Business as a result of contingencies hereby insured against, to premises or other property of customers or suppliers specified in the Schedule subject to the stated limits shall be regarded as a loss resulting from damage to property used by the Insured on the premises

Provided that:

- a. the liability of the Company in respect of unspecified customers and suppliers shall be limited to 10% (ten percent) of the Gross Profit/Revenue/Gross Rental insured;
- b. suppliers, if unspecified, excludes the premises of any public supply undertaking from which the Insured obtains electricity, gas or water;
- c. suppliers specifically exclude any timber plantation(s);
- d. the reference to "Perils insured under the Fire Section of this Policy" as stated under the heading DEFINED EVENTS of this Section pertaining to any planted (growing) crop and/or plantations (other than timber) will be limited to the perils of fire and lightning only.

2. Water and electricity supplier's premises

In consideration of the payment of an additional premium this Section is extended to include loss resulting from interruption of or interference with the Business in consequence of damage by any of the contingencies hereby

insured against to property belonging to any public undertaking which supplies electricity, gas or water
Provided that: the interruption shall continue uninterrupted for at least 24 (twenty-four) hours.

3. Public Telecommunications – insured perils only

Loss as insured by this Section resulting from interruption of or interference with the business in consequence of Damage (as within defined):

- a. to property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the Insured;
- b. to the transmission facilities network of the public authority mentioned in (i) above shall be deemed to be loss resulting from Damage to the property used by the Insured at the premises.

4. Public Telecommunications – Extended Cover

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

- a. drought;
- b. a fault on any part of the premises belonging to the Insured;
- c. a decision by any authority to legally withhold the telecommunication facility from the Insured unless such decision is directly attributable to damage to property of such authority;
- d. any event described in General Exceptions 1 and 2 but cover provided under the Malicious Damage Extension in the underlying Material Damage Section of this Policy is not excluded.

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

5. Public Utilities – Extended Cover

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

- a. drought;
- b. pollution of water;
- c. shortage of fuel or water;
- d. a fault on any part of the installation belonging to the premises;
- e. the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority;
- f. any event described in General Exceptions 1 and 2 but cover provided by the Malicious Damage Extension in the underlying Material Damage Section of this Policy is not excluded.

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

6. Accidental Damage

The following Defined Event is added:

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

- a. the provision under any item of this Section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of this Defined Event;
- b. the Company shall not pay more than the sum insured stated in the Schedule of the Accidental Damage Section for both this Section and the Accidental Damage Section combined”.

7. Guesthouses (accommodation and lodging)

In consideration of the payment of an additional premium the undermentioned Defined Events are added:

- a. Section 10 – Theft of this Policy;

- b. Section 14 – Transit and Section 15 – Single Transit – General of this Policy;
- c. The outbreak of a notifiable infectious, or otherwise dangerous human sickness, illness or disease occurring at the insured premises or the arising of a situation which might lead to the occurrence of such sickness, illness or disease, resulting in the closure or partial closure or other interference with the business by order of the State or Government, local authority or any other competent authority;
- d. Murder, suicide and/or food poisoning occurring on the insured premises;
- e. The pollution of any sea, beach or waterway within 15 (fifteen) kilometres of the insured premises;
- f. Use of or access to the insured premises being prevented or hindered following upon a bomb-scare in excess of the first 6 (six) hours of such bomb-scare;
- g. Wild game attack, shark attack or shark scare Provided that:
the insurance hereunder shall be subject to the following Special Conditions:

- i. the liability of the Company shall not exceed the Sum Insured as stated in the Schedule in respect of this Extension;
- ii. the provision requiring material damage to occur, shall not apply to Defined Events (c) to (g) of this Extension;

The consequence of a licence granted in respect of the insured premises for the sale by retail of excisable liquors (hereinafter referred to as Licence) becoming suspended or forfeited under the provisions of the appropriate legislation governing such Licences, or refused renewal after due application for such renewal to the appropriate authority at any time during the period of insurance, such suspension, forfeiture or refused renewal being occasioned by reasons beyond the control of the Insured

Provided that:

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

SECTION 10: THEFT

DEFINED EVENTS

The Company shall indemnify the Insured in respect of loss of or damage to all contents, (the property of the Insured or for which they are responsible) of any building 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.

SPECIFIC EXCEPTIONS

The Company shall not be liable for:

- a. loss or damage by any such theft or any attempt thereat by any principal, partner, director, any of the Insured's family, employees, domestic servants or any person lawfully on the premises except such theft or any attempt thereat following violence or threat of violence;
- b. loss or damage which can be insured against by a Fire or Glass Insurance Policy (except after an explosion caused by thieves in an attempt to enter or to open a safe or strong room), or is insured by a Marine Insurance Policy;
- c. loss of or damage to cheques, money, coins, medals, securities, stamps of any kind, bills of exchange, documents of any kind, manuscripts, business books, patterns, moulds, plans or designs unless specifically insured hereunder;
- d. loss of or damage during or consequent upon fire or explosion;
- e. loss of or damage to property contained in or on any garden, veranda or yard or in the open;
- f. consequential loss or damage of any nature whatsoever.

EXTENSIONS

1. All Contents

Should this Section insure "all contents" of the premises this term shall extend to include:

- a. documents, manuscripts, business books, computer system records and media, plans and designs, but only for the value of materials and sums expended in labour on the said articles and not for the value to the Insured of the information contained therein;
- b. patterns, models and moulds but only for the value of materials and sums expended in labour on the said articles;
- c. personal effects, tools, clothing and pedal cycles the property of the Insured or any principal, partner, employee or director of the Insured in so far as the same are not otherwise insured, limited to R5 000 (five thousand five hundred rand) for any one person.

2. Locks and Keys

In addition to the limit of indemnity stated in the Schedule the Company will indemnify the Insured in respect of the cost of replacing locks and keys to any insured premises following upon the disappearance of any key to such premises or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key; Provided that: the Company's liability shall not exceed R10 000 (ten thousand rand) in respect of any one event.

3. Damage to Buildings

In addition to the limit of indemnity stated in the Schedule:

- a. the insurance under this Section includes:
 - i. damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of theft or any attempt thereat;
 - ii. loss of buildings, landlord's fixtures and fittings at the insured premises as a result of theft accompanied by forcible

and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence;

b. the Company will reimburse the Insured all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or damage giving rise to a claim under this Section; Provided that: the Company's liability shall not exceed the greater of R20 000 (twenty thousand rand) or the amount stated in the Schedule in respect of any one event.

4. Thieves Concealed Upon the Insured Premises/use of Skeleton Keys/Additional Premises

The Insurance under this Section extends to cover loss of or damage to the property insured:

- a. caused or accompanied by;
 - i. a thief or thieves being concealed upon the insured premises before close of business;
 - ii. entry to and/or exit from the premises being affected by use of a skeleton key or other similar device (excluding a duplicate key) provided that the Insured shall establish to the satisfaction of the Company that such a skeleton key or device was used;
- b. whilst in a building at any additional premises used by the Insured provided that:
 - i. such additional premises are advised to the Company within 30 (thirty) days from the time the risk attaches to the Company;
 - ii. an additional premium, if any, is paid;
 - iii. the Company's liability in respect of this Extension shall not exceed 50% (fifty per cent) of the highest amount stated in the Schedule to any one premise.

5. Guesthouses Applicable to Farming Risks Only (If stated in the Schedule to be included)

At the payment of an additional premium it is hereby declared and agreed that the wording relating to "Defined Events" in terms of this Section is amended to read as follows:

DEFINED EVENTS

"The Company shall indemnify the Insured in respect of loss of or damage to all contents, (the property of the Insured or for which he/she is responsible) of any building at the insured premises described in the Schedule as a result of theft (or any attempt thereat); Provided that: where contents of any off-sales or bar stocks are insured, theft of the contents of such off-sales or bar stocks must be accompanied by visible, forcible and violent entry into or exit from such building(s), except for theft (or any attempt thereat) following violence or threat of violence".

SPECIFIC CONDITIONS

1. Compulsory First Amount Payable

- a. the Insured shall be responsible for the compulsory first amount payable as stated in the Schedule
- b. this Specific Condition shall not be applicable to losses that may arise in terms of paragraph c of Extension 1 hereto in respect of personal effects, tools, clothing and pedal cycles of the Insured, any principal, partner, employee or director of the Insured, as well as losses that may arise in terms of Extension 2 of this Section in respect of locks and keys.

ENDORSEMENTS IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Protections

The Insured must install burglar bars and maintain it in an efficient condition at the premises to prevent or hinder any entry or exit by thieves. To the extent that any of these protections are defective at the time of any loss the Company shall not be liable under this Section unless the Insured shall prove that such defects:

- a. could not reasonably have been detected by the Insured or were detected but could not reasonably have been rectified before the loss occurred and that adequate alternative protection had been instituted and the Company notified as soon as possible;
- b. did not in any way contribute to the ability of the thieves to enter, remain in or escape from the premises or any section thereof or reduce the possibility of them being discovered.

2. Watchman

It is a condition precedent to all liability of the Company and so warranted that at the commencement of this insurance a watchman shall be employed for the protection of the premises at all times when the same are closed for business.

3. Burglar Alarm

In respect of any premises at which a burglar alarm system is installed it is a condition precedent to liability of the Company and warranted that:

- a. the burglar alarm system installed at the premises shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or employee of the Insured is on the premises;
- b. such burglar alarm system shall be maintained in proper working order, but the Insured shall be deemed to have discharged their liability therefore if they have maintained their obligations under a contract with the suppliers or servicing engineers of the alarm system.

This insurance shall not cover loss of or damage to the property following the use of the keys of the burglar alarm system or any duplicate thereof belonging to the Insured unless such keys have been obtained by violence or threat of violence to any person.

4. Theft of roof sheeting in respect of a building insured under the Fire Section

In consideration of the payment of an additional premium cover is extended to include theft of roof sheeting from a building insured under the Fire Section up to a maximum of R20 000 (twenty thousand rand)

SECTION 11: MONEY

DEFINED EVENTS

The Company shall indemnify the Insured in respect of loss of or damage to money, receptacles and clothing (as defined) subject to the limits stated hereunder occurring in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe and Malawi; Provided that: the liability of the Company for all loss or damage arising from all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the specific limitations stated in the Schedule.

SPECIFIC EXCEPTIONS

The Company shall not be liable for:

- a. any loss arising from fraud or dishonesty of the Insured's principles, partners, directors or employees not discovered within 14 (fourteen) working days of the offence being committed;
- b. unaccountable shortages due to error or omission;
- c. any loss arising following the use of keys of the safe(s) or strong room(s) if such keys are as a general rule left in the premises after business hours;
- d. consequential loss or damage of any nature whatsoever;
- e. loss of money out of any unattended vehicle.

DEFINITIONS

Money

Money shall mean cash, bank and currency notes, cheques, postal orders, money orders, current negotiable stamps, revenue and holiday stamps, credit card vouchers and documents or certificates of a negotiable nature and telephone cards the property of the Insured or for which he/she is responsible, all the aforementioned in possession for the purposes of the Insured's business as mentioned in the Schedule and not for personal purposes.

Receptacle

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

Clothing

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

EXTENSIONS

1. Personal Accident (Assault)

The Company shall pay to the Insured on behalf of such person or his/her estate the sum or sums of money specified below in respect of any principal, partner, director and/or employee of the Insured (including the Insured) who sustains bodily injury caused by accidental violent external and visible means as a result of theft or any attempt thereat, during the course of their duties in the Insured's employ.

- a. **Death** occurring within 24 (twenty-four) calendar months of bodily injury as aforesaid **R10 000 (ten thousand rand)**
- b. **Permanent** disablement as described below occurring within 24 (twenty-four) calendar months of bodily injury as aforesaid and not followed within 24 (twenty-four) calendar months of the said bodily injury by the death of such person.

Description of disablement:

The following percentage of the above amount
 Loss by physical amputation at or above the wrist
 or ankle of one or more limbs or the complete
 and irrecoverable loss of all sight in one or both eyes

The following percentage
 of the amount on page 51

Loss by physical amputation at or above the wrist or ankle of one or more limbs or the complete and irrecoverable loss of all sight in:

One or both eyes 100%	Loss of four fingers 70%	
Loss of thumb:		
Both phalanges 25%	One phalanx 10%	
Loss of index fingers:		
Three phalanges 10%	Two phalanges 8%	One phalanx 4%
Loss of middle fingers:		
Three phalanges 6%	Two phalanges 4%	One phalanx 2%
Loss of ring finger:		
Three phalanges 5%	Two phalanges 4%	One phalanx 2%
Loss of little finger:		
Three phalanges 4%	Two phalanges 3%	One phalanx 2%
Loss of metacarpals:		
First /second (additional) 3%	Third, fourth & fifth (additional) 2%	
Loss of toes:		
All of one foot 30%	Great toe-both phalanges 5%	One phalanx 2%
other than great, if more than one toe lost, each 2%		
Loss of hearing:		
Both ears 100%	One ear 25%	
Loss of speech:		
Loss of speech 100%	Loss of speech 100%Injuries resulting in permanent total disablement from following usual occupation or any other occupation for which such person is fitted by knowledge or training	

Permanent loss of use of a limb or sense organ shall be treated as loss thereof.

Where the injury is not specified the Company shall determine a percentage of disablement which in its opinion is not inconsistent with the above

c. Total and absolute disability:

To attend to any part of usual occupation or business limited to 104 (one hundred and four) weeks any one injury R200 (two hundred rand) for each week of total disability

d. Medical:

The reasonable expenses incurred shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) incurred within 24 (twenty four) months of the Defined Event up to a minimum amount of R8 000 (eight thousand rand).

The term "bodily injury" shall be deemed to include starvation, thirst and/or exposure to the elements consequent upon illegal detainment following upon theft or any attempt thereat; Provided that:

a. this Section does not cover:

- i. death or disablement occasioned by or happening to any such person under the influence or effect (temporary or otherwise) of intoxicating liquor, drugs, anaesthetics or narcotics;
- ii. any such person under the age of 15 (fifteen) and over the age of 75 (seventy-five);

b. the total payment under this Section in respect of any such person shall not exceed the amount payable in the event of death plus total and absolute disability and medical expenses as above;

c. the sum specified under Extension 1(c) shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 (one hundred and four) weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability.

3. Receptacles and Clothing

In addition to any payment in respect of a Defined Event, the Company will indemnify the Insured in respect of receptacles and clothing (as defined) lost or damaged as a result of theft of money or attempted theft of money, provided that the Company's liability under this Extension in respect of clothing shall not exceed R8 000 (eight thousand rand), and in respect of receptacles, the amount stated in the Schedule or R8 000 (eight thousand rand) whichever is the greater.

4. Riot and Strike (if stated in the Schedule to be included)

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

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

This Extension does not cover the following:

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

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

5. Skeleton Keys

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

MEMORANDA

1. Loss of or damage to money as insured under this Section arising from dishonesty of any principal, partner, director or person in the employ of the Insured (such person), as defined under this Section, shall be subject to the following compulsory First Amount Payable Clause: The amount payable hereunder in respect of an event involving any such person or any number of such persons acting in collusion shall be reduced by;
 - a. 2% (two per cent) of the applicable limit under Defined Events; plus
 - b. a further amount of 10% (ten per cent) of the net amount payable after deduction of the 2% (two per cent) specified in (a) above.
2. The Company shall not be liable under this Section in respect of loss or damage arising from any event in respect of which a claim is payable or would be payable but for any First Amount Payable or co-insurance clause under the Fidelity Guarantee Section or any other Fidelity insurance.

SPECIFIC CONDITIONS

1. First Amount Payable
 - a. the Insured shall be responsible for the compulsory first amount payable as stated in the Schedule
 - b. a First Amount Payable shall not be applicable to losses that may arise in terms of Extensions 1, 2 or 3 of this Section. The First Amount Payable will only apply in respect of clothing (as defined).

SECTION 12: GLASS

DEFINED EVENTS

If any of the internal and external glass (including mirrors) the property of the Insured or for which they are responsible at the insured premises described in the Schedule were accidentally broken then the Company shall pay for the replacement of such glass as well as the reasonable cost up to R10 000 (ten thousand rand) in respect of:

1. boarding up of windows which is necessary prior to replacement of insured glass following breakage;
2. the reinstatement of frames damaged at the same time as breakage of insured glass contained therein;
3. the reinstatement of fixtures and fittings and window displays damaged as a result of breakage of insured glass;
4. removal and replacement of fixtures and fittings necessarily incurred in replacing insured glass following such breakage;
5. the cost of employment of a watchman service prior to replacement of glass or boarding up or the repair of the burglar alarm system, unless payable under any other insurance arranged by the Insured.

DEFINITIONS

Glass

Unless specifically agreed, all glass (other than mirrors) insured by this Section is presumed to be plain plate/float glass not exceeding 6 (six) mm in thickness, whether coated with a film or not, or 6,5 (six and a half) mm laminated safety glass.

Breakage

Breakage shall mean only "fracture extending through the entire thickness of glass" and not merely "disfiguration".

EXTENSIONS

1. Riot and strike (if stated in the Schedule to be included)

At the payment of an additional premium and subject otherwise to the Terms, Conditions, Exclusions, Exceptions and Warranties contained therein, this Section is extended to cover loss or damage directly occasioned by or through or in consequence of:

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;

This Extension does not cover:

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

If the Company alleges that by reason of provisos (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured. This Extension shall only apply to loss or damage for which the Insured is responsible as tenant and not as owner.

2. Special reinstatement (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 superior quality, then the Company shall be liable for the increased cost of such replacement including (but not limited to) frames therefore, provided that if the cost of so replacing all of the insured property (inclusive of other items insured) is greater than the sum insured hereon at the time of the loss or damage, then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly.

3. Ornamentation and Sign Writing

The insurance by this Section extends to include the cost of ornamentation and sign writing.

SPECIFIC CONDITIONS**1. 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 or damage accordingly. Every item if more than one shall be separately subject to this condition.

2. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

SPECIFIC EXCEPTIONS

This Section does not cover

- a. loss of or damage to glass in respect of perils insured against in the Fire, Houseowners and Householders Sections or a Fire, Houseowners or Householders Policy of another Insurer;
- b. loss or damage which is less than R100 (one hundred rand);
- c. consequential loss or damage of any nature whatsoever;
- d. glass which has been cracked or damaged before commencement of the insurance under this Section;
- e. cracked glass or breakage caused by or resulting from alterations or additions to the premises;
- f. any stock-in-trade.

SECTION 13: FIDELITY GUARANTEE

DEFINED EVENTS

The Company shall indemnify the Insured in respect of:

1. Loss of money and/or other property, belonging to the Insured or for which they are responsible, stolen by an insured employee during the currency of this Section.

2. Direct financial loss sustained by the Insured

As a result of fraud or dishonesty of an insured employee, all of which occurs during the currency of this Section, which results in dishonest personal financial gain for the employee concerned; Provided that:

1. a. the Company is not liable for all losses which occurred more than 24 (twenty-four) months prior to discovery;
- b. all losses are discovered not later than 12 (twelve) months after the termination of:
 - i. this Section; or
 - ii. this Section in respect of any insured employee concerned in a loss; or
 - iii. the employment of the insured employee or the last of the insured employees concerned in a loss, whichever occurs first.

2. 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.

3. Named or Position Basis

The Liability of the Company for all losses involving any employee shall not exceed the sum insured stated opposite his name in the Schedule or, if he is unnamed, the sum insured stated opposite the position held by him in the business as stated in the Schedule.

4. Renewal of this Insurance

From period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the Company beyond the sum insured stated in the Schedule. If the period of insurance is less than 12 (twelve) months the Company's liability is limited to the sum stated in the Schedule during any 12 (twelve) month period of insurance calculated from inception or renewal.

5. The term "dishonest personal financial gain"

This shall not include gain by an employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

DEFINITIONS

Employee shall mean:

1. any person while hired or seconded from any other party into the service of the Insured;
2. any person while employed under a contract of service with or apprenticeship to the Insured; who the Insured has the right at all times to govern, control and direct in the performance of his work in the course of the business of the Insured and who, if this Section is on a named and/or position basis, is described in the Schedule by name and/or by the position held by him in the business.

SPECIFIC CONDITIONS

1. Subject to the provisions of General Condition 20 if the Insured shall sustain any loss to which this Section applies which exceeds the amount payable hereunder in respect of such loss, the Insured shall be entitled to all recoveries (except from surety ship, insurance, reinsurance, security or indemnity taken or effected by the Company or for the amount of any First Amount Payable) by whomsoever made on account of such loss until fully reimbursed, less the actual cost of effecting the same, and any remainder shall be applied to the reimbursement of the Company and the Insured to the extent of his co- insurance in terms of Item (b) of the Compulsory First Amount Payable.

2. The Insured shall institute and/or maintain and continue to employ in every material manner all such accounting and clerical procedures and methods, systems of check and control of conducting his/her business as has been represented to the Company but the Insured may:

- a. in respect of any employee who is described in the Schedule by name, change his duties and position;
- b. in respect of any employee who is described in the Schedule only by the position held by him/her remove such employee and place in his/her position any other person who falls within the definition of employee;
- c. change the remuneration and conditions of service of any employee;
- d. make such other changes as are approved beforehand in writing by the Insured's auditors.

SPECIFIC EXCEPTIONS

1. This Section does not cover any company or other legal entity acquired during the period of insurance.
2. The Company shall only be liable to the extent of the participation/shareholding of any uninvolved partner/principal/director or member for an insured event in which any partner/principal/director or member of the Insured is or has been directly involved. This Specific Exception only applies to Partnerships, Proprietary Companies or Closed Corporations.
3. The Company shall not be liable for:
 - Loss resulting from or contributed to by any Defined Event by or from:
 - a. any partner in or of the Insured to the extent that such partner would benefit by indemnity granted under this Section;
 - b. any principal, director or member of the Insured unless such director or member is also an employee;
 - c. any employee from the time the Insured shall become aware that such employee has committed any fraud or dishonesty;
 - d. any consequential losses of any kind following losses referred to under Defined Events.
 - e. The Company shall also 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 who is employed in the Insured's electronic data processing department or area. This Specific Exception does not apply to insured employees who are employed in the electronic data processing department/area of any non-networked micro/personal computer.

CLAUSES AND EXTENSIONS

1. Other Insurances

It is a condition of this Section that other than:

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

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

2. Retroactive cover- no previous insurance in force (if stated in the Schedule to be included)

This Section will also apply to Defined Events as insured herein which occurred up to 12 (twelve) months prior to inception of this Section but not more than 24 (twenty-four) months prior to discovery Provided that:

the events are discovered within the sooner of 12 (twelve) months of the termination of the employment of the employee concerned or within 12 (twelve) months of the expiry of this Section.

3. Extended Cover for Past Employees

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

4. Accountants

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

5. Superseded Insurance (if stated in the Schedule to be included)

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

- a. this extension is restricted to losses which would have been payable by the superseded insurance, but which are not claimable because of the expiry of the period of time allowed by the superseded insurance for the discovery of the Defined Events;
- b. the Defined Events are discovered within the sooner of 12 (twelve) months of the termination of the employment of the employee concerned or within 12 (twelve) months of the expiry of this Section;
- c. the amount payable under this extension shall not exceed the amount insured by this Section or the amount insured by the superseded insurance whichever is the lesser;
- d. in the event of the Defined Events involving one employee or any number of employees occurring during both the currency of this Section and that of the superseded Policy, the maximum amount payable shall not exceed the amount insured by this Section at the time of discovery of the Defined Events;
- e. this extension will not apply to Defined Events which occurred more than the number of years stated in the Schedule before inception of this Section;
- f. the Company is not liable for any loss which occurred more than 24 (twenty-four) months prior to discovery.

6. First Amount Payable for Losses

This is for discovered more than 12 (twelve) months after they were committed

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

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

First Amount Payable clause:	First Amount Payable increased to percentage shown below:	
	If losses are discovered more than 12(twelve) months after being committed but not more than 24 (twenty-four) months thereafter	If Section has been extended to cover that part of losses discovered more than 24 (twenty-four) months after being committed but not more than 36 (thirty-six) months thereafter
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.

7. Compulsory First Amount Payable

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

- a. 2% (two per cent) of the aggregate of the sum insured under this Section and the declared insurance or R60 000

(sixty thousand rand) whichever is the lesser; plus

b. a further amount of 10% (ten per cent) of the net amount payable after deduction of the amount specified in (a) above. Both amounts shall be borne in full by the Insured and remain uninsured.

8. Computer Losses First Amount Payable

The percentage shown in (b) of the compulsory First Amount Payable clause is increased from 10% (ten percent) to 20% (twenty per cent) if the Defined Event results from the dishonest

- a. manipulation of;
- b. input into;
- c. suppression of input into;
- d. destruction of;
- e. alteration of;

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

9. Voluntary First Amount Payable (if stated in the Schedule to be included)

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

10. Extension for Losses

discovered more than 24 (twenty-four) months after being committed but not more than 36 (thirty-six) months thereafter (if stated in the Schedule to be included)

- a. At the payment of an additional premium, Proviso 1(a) of item 2 of the Defined Events is restated to read: "1(a) the Company is not liable for all losses which occurred more than 36 (thirty-six) months prior to discovery".
- b. If this Section includes the superseded insurance extension the period referred to in proviso (f) thereof is increased from 24 (twenty-four) months to 36 (thirty-six) months.

11. Reduction/Reinstatement of Insured Amount (if stated in the Schedule to be included)

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

Provided that:

- a. the maximum amount payable by the Company for all insured employees shall not exceed double the sum insured shown in the Schedule;
- b. the Insured pays additional premium calculated in terms of the following formula: Annual premium in force at time of discovery of loss x Amount of claim payment Sum insured at time of discovery of loss

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

12. Extension granted on receipt of a satisfactory systems audit

In respect of losses discovered more than 24 (twenty-four) months after being committed (if stated in the Schedule to be included) In consideration of the accounting firm named in the Schedule having conducted a satisfactory audit of the Insured's systems of:

- a. control;
 - b. fraud, dishonesty and theft detection and subject to the Insured implementing and maintaining all the recommendations contained in such audit:
1. Proviso 1(a) of item 2 of the Defined Events (which limits cover to that part of losses discovered within 24 (twenty-four) months) and Proviso (f) of the superseded insurance extension (if applicable) are deleted;
 2. if any Defined Event is discovered more than 12 (twelve) months after it was committed, the percentages contained in the undernoted First Amount Payable clause are increased as follows:

First Amount Payable clause:	First Amount Payable increased to percentage shown below if losses discovered more than 12 (twelve) months after being committed
Compulsory Paragraph (a) Paragraph (b)	From 2% to 3% From 10% to 12,5%
Computer Losses	From 20% to 25%

Notwithstanding the above, the Insured may opt to claim only for that part of the loss which was discovered within 12 (twelve) months, in which case the First Amount Payable applicable for that period will apply;

3. the First Amount Payable clause for losses discovered more than 12 (twelve) months after they were committed is deleted.

13. Costs of Recovery (if stated in the Schedule to be included)

If the Insured shall sustain any loss to which this Section applies which exceeds the sum insured hereunder, the Company will, in addition to the sum insured, pay to the Insured costs and expenses not exceeding the amount stated in the Schedule necessarily incurred with the consent of the Company (which consent shall not be unreasonably withheld) for the recovery or attempted recovery from the employee in regard to whom the claim is made, of that part of the loss which exceeds the sum insured hereunder. All amounts recovered by the Insured in excess of the said part of the loss shall be for the benefit of the Company and the Insured to the extent of his coinsurance in terms of Item (b) the Compulsory First Amount Payable Clause.

14. Computer losses (if stated in the Schedule to be included)

The Insured having completed a satisfactory questionnaire, Specific Exception 3 and the Computer losses First Amount Payable Clause are deleted.

SPECIAL PROVISIONS

1. General Condition 11 and General Exceptions 1 and 2 do not apply to this Section.
2. In the event of the discovery of any loss resulting from a Defined Event, the Insured may, notwithstanding anything to the contrary contained in paragraph (b) of General Condition 7, refrain from reporting the matter to the police but shall do so immediately should the Company require such action to be taken.
3. 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.
4. Non-disclosure of his/her own fraud or dishonesty or that of others with whom he/she is in collusion by the person signing any proposal form or giving renewal or other instructions shall not prejudice any claim under this Section.

SECTION 14: GOODS IN TRANSIT

DEFINED EVENTS

1. Property (excluding livestock, pedigreed animals and game)

The Company will indemnify the Insured in respect of loss of or damage to the whole or part of the insured property which includes containers and/or covers in which the cargo is packed, the property of the Insured in the course of transit in or on any means of conveyance caused by any of the insured perils.

2. Livestock, pedigreed animals and game

The Company shall indemnify the Insured in respect of loss resulting from death of the insured livestock, pedigreed animals and game described in the Schedule, the property of the Insured whilst in transit in or on any means of conveyance by road or by rail caused by any accident or misfortune not otherwise excluded. The liability of the Company for all loss or damage in respect of any single occurrence or in respect of a series of occurrences resulting from or attributable to any single source or original cause shall not exceed the amount insured against such item stated in the Schedule of this Section.

INSURED PERILS

1. Property (excluding livestock, pedigreed animals and game)

The Company shall indemnify the Insured up to the limit of indemnity as stated in the Schedule in the event of loss of or destruction of or damage to the insured property the property belonging to the Insured directly caused by fire, lightning, flood, collision and overturning of the conveyance, loading and/or unloading of the cargo and theft following the above-mentioned occurrences whilst conveyed in or on any means of conveyance.

2. Livestock, Pedigreed Animals and Game

The Company shall indemnify the Insured up to the limit of indemnity as stated in the Schedule against all livestock, pedigreed animals and game specified resulting from death of all livestock, pedigreed animals and game, the property of the Insured, directly caused by fire, lightning, flood, collision and overturning of the conveyance including loading and unloading of the cargo and theft following the above-mentioned occurrences whilst conveyed in or on any means of conveyance.

EXTENSIONS

1. Debris Removal

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

2. Fire Extinguishing Charges

If the property described in the Schedule is lost or damaged by fire whilst in course of a transit insured by this Section the Company will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire, subject to a limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater.

SPECIFIC EXCEPTIONS

This Section does not cover:

1. earthquake, volcanic eruptions or other convulsions of nature;
2. depreciation or loss or damage arising from wear and tear, dents, scratches or occasioned by moth, vermin, insects, damp, mildew, rust or any process of heating, cleaning, dyeing, drying, alteration or repair to which the said property is subjected;
3. loss or damage by theft or attempt thereof or dishonesty of any principal, partner, director or any person in the employ of the Insured whether acting alone or in collusion with others;
4. breakage of articles of a brittle nature unless such breakage is caused by burglars, thieves or fire;
5. loss by leakage of any liquid from the receptacle in which it is contained except when caused by perils insured

against in this Section;

6. deeds, bonds, coins, money, securities, stamps, stamp collections, plans, patterns, designs, documents of title, contracts or other documents, business books or manuscripts unless specifically stated in the Schedule;
7. damage to any working machine or part thereof as a result of electronic, electrical or mechanical breakdown;
8. consequential loss of any nature whatsoever;
9. inherent vice or defect regarding the insured property;
10. loss of or damage attributable to by inferior packing;
11. loss or damage incurred while any vehicle is being driven by:
 - a. the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
 - b. any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his/her business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles; Provided that:
any driver shall be deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under the territorial limits of this Section, or if non-compliance with any licensing law is solely because of failure to renew any license subject to periodic renewal, or if a license is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners;
12. loss of or damage to the insured property consequent upon hijacking or any attempt thereat;
13. breakdown of refrigeration equipment;
14. detention, confiscation or requisition by customs or other officials or authorities;
15. loss of or damage to property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique;
16. theft from any unattended vehicle in the custody or control of the Insured or any principal, partner, director or employee of the Insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry to or exit there from;
17. trampling or suffocation resulting in death or destruction of livestock, pedigreed animals and game whilst in transit in or on any means of conveyance;
18. the intentional slaughter or destruction of livestock, pedigreed animals and game whether by or under order of any government or public or local authority or any person or body having jurisdiction in the matter or otherwise; Provided that: the Company will not invoke this particular Exception as a defence where:
 - a. the Company shall have expressly agreed to destruction of the livestock, pedigreed animals and game or;
 - b. insured livestock, pedigreed animals and game suffers an injury or is affected with an excessively painful disease and a qualified veterinary surgeon appointed by the Company certifies that it is incurable and so excessive that immediate destruction is imperative for humane reasons, or;
 - c. insured livestock, pedigreed animals and game suffers an injury or is affected with an excessively painful disease and a qualified veterinary surgeon appointed by the Insured shall first have given a certificate that the suffering of such livestock, pedigreed animals and game is incurable and so extensive that immediate destruction is imperative for humane reasons without waiting for the appointment of a veterinary surgeon by the Company; Provided that: in all such cases of (a), (b) or (c) above the Company shall be given the opportunity of having a post-mortem examination carried out by their veterinary surgeon should they so desire.

SPECIFIC CONDITIONS

1. Period of Transit

Transit shall be deemed to commence with the loading on any means of conveyance (including carrying goods thereto) and continue during transportation to the consignee and temporary storage during the course of the journey and to end with the delivery including unloading of the property at destination.

2. Refusal of Receipt

If any consignee shall refuse to accept property despatched by the Insured, then transit shall be deemed to continue and the insurance in respect of such property shall remain in force until the property is delivered at the premises of the Insured; Provided that: the Insured shall take all reasonable steps to ensure that the property is returned to him as soon as is reasonably possible.

3. Other Means of Conveyance

Where the means of conveyance is by specified vehicle(s) the insurance by this Section shall apply to property in or on any vehicle temporarily used in place thereof whilst the specified vehicle is undergoing repair or servicing; Provided that: such replacement vehicle is not the property of the Insured nor leased or hired by him under a lease or hire purchase agreement except when hired for such period as is necessary for repair or servicing of the means of conveyance.

4. Breakdown of Means of Conveyance

In the event of breakdown during transit of the means of conveyance or if for any reason beyond the Insured's control the property is endangered nothing contained herein shall debar the utilization of any other form of transport to assist completion of the transit and the insurance afforded shall not be prejudiced thereby.

5. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule

ENDORSEMENTS IF STATED IN THE SCHEDULE TO BE INCLUDED

1. All risks cover (not applicable to livestock, pedigreed animals, game, fruit or vegetables)

At the payment of an additional premium the wording under the heading "Insured Perils I" is amended to read as follows: "The Company shall indemnify the Insured up to the limit of liability stated in the Schedule in the event of loss of or destruction of or damage (including any loss of or destruction of or damage consequent upon hijacking) to the insured property including the containers or covers in which the cargo is packed including damage resulting from loading or unloading of the cargo caused by any accident or misfortune not otherwise excluded".

2. Hijacking in Respect of Limited Cover

At the payment of an additional premium Specific Exception (12) of this Section is cancelled and cover is extended to include loss of or damage to the property as stated in the Schedule as a result of hijacking;

3. Riot and Strike

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

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;

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.

SECTION 15: SINGLE TRANSIT GENERAL

DEFINED EVENTS

The Company shall indemnify the Insured in respect of loss of or damage to the whole or part of the insured property which includes containers and/or covers in which the cargo is packed, the property of the Insured whilst in transit in or on any means of conveyance caused by any of the insured perils. The liability of the Company in respect of any one item of this Section for all loss or damage in respect of any single occurrence or in respect of a series of occurrences resulting from or which is attributable to any single source or original cause shall not exceed the amount insured against such item mentioned in the Schedule of this Section.

INSURED PERILS

The Company shall indemnify the Insured up to the limit of indemnity as stated in the Schedule in the event of loss of or destruction of or damage to the insured property the property belonging to the Insured directly caused by:

- a. fire, lightning, flood;
- b. collision and overturning of the conveyance;
- c. loading and/or unloading of the cargo; and
- d. theft following the above-mentioned occurrences whilst conveyed in or on any means of conveyance.

EXTENSIONS

1. Debris Removal

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

2. Fire extinguishing charges

If the property described in the Schedule is lost or damaged by fire whilst in course of a transit insured by this Section the Company will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire, subject to a limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater.

SPECIFIC CONDITIONS

1. Period of Transit

Transit shall be deemed to commence with the loading on any means of conveyance (including carrying goods thereto) and continue during transportation to the consignee and temporary storage during the course of the journey and to end with the delivery including unloading of the property at destination.

2. Refusal of Receipt

If any consignee shall refuse to accept property dispatched by the Insured, then transit shall be deemed to continue and the insurance in respect of such property shall remain in force until the property is delivered at the premises of the Insured; Provided that: the Insured shall take all reasonable steps to ensure that the property is returned to him as soon as is reasonably possible.

3. Other Means of Conveyance

Where the means of conveyance is by specified vehicle(s) the insurance by this Section shall apply to property in or on any vehicle temporarily used in place thereof whilst the specified vehicle is undergoing repair or servicing; Provided that: such replacement vehicle is not the property of the Insured nor leased or hired by him under a lease or hire purchase agreement except when hired for such period as is necessary for repair or servicing of the means of conveyance.

4. Breakdown of Means of Conveyance

In the event of breakdown during transit of the means of conveyance or if for any reason beyond the Insured's control the property is endangered nothing contained herein shall debar the utilization of any other form of transport to assist completion of the transit and the insurance afforded shall not be prejudiced thereby.

5. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

SPECIFIC EXCEPTIONS

This Section does not cover:

1. earthquake, volcanic eruptions or other convulsions of nature;
2. depreciation or loss or damage arising from wear and tear, dents, scratches or occasioned by moth, vermin, insects, damp, mildew, rust or any process of heating, cleaning, dyeing, drying, alteration or repair to which the said property is subjected;
3. loss or damage by theft or attempt thereof or dishonesty of any principal, partner, director or any person in the employ of the Insured whether acting alone or in collusion with others;
4. breakage of articles of a brittle nature unless such breakage is caused by burglars, thieves or fire;
5. loss by leakage of any liquid from the receptacle in which it is contained except when caused by perils insured against in this Section;
6. deeds, bonds, coins, money, securities, stamps, stamp collections, plans, patterns, designs, documents of title, contracts or other documents, business books or manuscripts unless specifically stated in the Schedule;
7. damage to any working machine or part thereof as a result of electronic, electrical or mechanical breakdown;
8. consequential loss of any nature whatsoever;
9. inherent vice or defect regarding the insured property;
10. loss of or damage attributed to by inferior packing;
11. loss or damage incurred while any vehicle is being driven by:
 - a. the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
 - b. any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his/her business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles; Provided that: any driver shall be deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under the territorial limits of this Section, or if non-compliance with any licensing law is solely because of failure to renew any license subject to periodic renewal, or if a license is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners;
12. loss of or damage to the insured property consequent upon hijacking or any attempt thereof;
13. loss of or damage resulting from death and/or destruction of livestock, pedigreed animals, game and/or ostriches;
14. breakdown of refrigeration equipment;
15. detention, confiscation or requisition by customs or other officials or authorities;
16. loss of or damage to property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique.

ENDORSEMENTS IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Hijacking

At the payment of an additional premium Specific Exception (12) of this Section is cancelled and cover is extended to include loss of or damage to the property as stated in the Schedule as a result of hijacking.

2. Riot and Strike

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

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 (a) above; 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.

SECTION 16: BUSINESS ALL RISKS

DEFINED EVENTS

The Company will Indemnify the Insured for:

1. Property of the Insured

Loss of or damage to the property stated in the Schedule belonging to the Insured caused by any accident or misfortune arising from any fortuitous circumstances not excluded in terms of any exception which is applicable to this Policy in general within the territorial limits.

2. Property of Guests

Loss of or damage to the property of guests/clients relating to hunting and/or game viewing not otherwise insured, if stated in the Schedule, caused by any accident or misfortune arising from any fortuitous circumstances not excluded in terms of any exceptions which is applicable to this Policy in general within the territorial limits excluding firearms of any nature; Provided that:

- a. the liability of the Company in terms of Defined Event (i) above shall in no case exceed in respect of each and every item the sum insured stated in the Schedule or in the aggregate the total sum insured hereby;
- b. the value of the property in respect of Defined Event (ii) above shall be limited to a maximum of R5 000 (five thousand rand) any one guest or client and R30 000 (thirty thousand rand) any one event.

TERRITORIAL LIMITS

The Territorial Limits of this Section shall be anywhere in the world.

SPECIFIC EXCEPTIONS

This Section does not apply to and does not cover:

- a. depreciation or loss or damage arising from wear and tear, dents, scratches or occasioned by moth, vermin, insects, damp, mildew, rust or any process of heating, cleaning, dyeing, drying, alteration or repair to which the property is subjected;
- b. loss or damage by theft or attempt thereof or fraud of any principal, partner, director or any person in the employ or service of the Insured whether acting alone or in collusion with others;
- c. breakage of articles of a brittle nature unless such breakage is caused by burglars, thieves or fire;
- d. loss by leakage of any liquid from the receptacle in which it is contained;
- e. deeds, bonds, coins, money, securities, stamps, stamp collections, plans, patterns, designs, documents of title, contracts or other documents, business books or manuscripts unless specifically specified in the Schedule;
- f. damage to any working machine or part thereof as a result of electronic, electrical or mechanical breakdown failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded;
- g. loss of or damage to property resulting from or caused by theft from any unattended vehicle in the custody or control of the Insured or any principal, partner, director or employee of the Insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building;

Provided that:

- entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit;
- h. remote jamming will be limited to 50% (fifty percent) of the agreed loss;
 - i. consequential loss of any nature whatsoever;
 - j. inherent vice or defect regarding the insured property;
 - k. loss or damage for which provision is made in any guarantee or service contract, in any contract of purchase or lease agreement or hire purchase or financing agreement or in any other agreement of whatever nature regarding the insured property;
 - l. loss of or damage to wine;
 - m. detention, confiscation or requisition by customs or other officials or authorities;

n. loss of or damage to goods consigned under a bill of lading.

SPECIFIC CONDITIONS

1. Liquid Nitrogen Insemination Flasks

In respect of liquid nitrogen insemination flasks and contents insured under this Section the Company shall be liable for loss of or damage to containers and contents arising from breakdown of flasks due to loss of vacuum; Provided that: the Insured furnish a warranty that the insemination flasks are annually reviewed by the suppliers.

2. Replacement Value

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

3. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule

4. Items insured under Business All Risks in respect of (worldwide cover)

Specific exception theft out of any unattended vehicle is amended to include theft due to a jamming device used to prevent the insured from locking the vehicle. Provided that:

- a. the items are individually specified on the schedule;
- b. cover is limited to 75% (seventy five percent) of the sum insured or 75% (seventy five percent) of replacement value, whichever is the lesser.
- c. the liability of the Company's under this extension shall not exceed R20 000 (twenty thousand rand);
- d. the Insured will be liable for an additional first amount payable of 10% (ten percent) of the claim with a minimum of R1 500 (one thousand five hundred rand);
- e. It is the responsibility of the insured to provide proof that a jamming device was used to prevent him from locking the vehicle.

ENDORSEMENTS IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Riot and Strike

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

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;

This Extension does not cover:

- a. loss or damage occurring in the Republic of South Africa or Namibia;
- b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- c. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- d. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- e. loss or damage related to or caused by any occurrence referred to in General Exception 1 (A)(ii), (iii), (iv), (v) or (vi) of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence. If the Company alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

2. Increase in Cost of Working

The insurance under this item is limited to expenditure not otherwise recoverable under this Section, necessarily and reasonably incurred as a result of 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.

3. Contamination of Milk

In consideration of the payment of an additional premium and notwithstanding contrary provisions in the policy wording it is accepted and recorded that the Company will indemnify the Insured in respect of any direct financial loss occurred as a

1. spoilage, none purchase or delivery of raw milk by a commercial buyer due to the presence of vaccines that exceed the maximum permitted levels;
2. Spoilage of raw milk stored in a tanker of any commercial buyer due to the contamination of such commercial buyer's milk by adding purchased and delivered milk of the Insured in which vaccines are available exceeding the maximum permitted levels;
3. deterioration of raw milk in any refrigeration or freezer belonging to the Insured, caused by:
 - i. accidental, unforeseeable, and unexpected physical damage to any of the refrigeration machinery;
 - ii. interruption in water, gas or electricity supply, unless such failure is performed by a legal institution supplying water, gas or electricity with the power to withhold or restrict such supply, unless withholding or restriction is directly attributable to damage to such an institution's property.

Basis of Indemnity

The basis of indemnity of this extension shall be subject to the sum insured stated in the schedule:

- a. in respect of the insured event 1. the price per liter as contracted, multiplied by the number of liters of milk spoiled, sold or not collected;
- b. in respect of insured event 2. the contract price per liter multiplied by the number of liters of milk spoiled, plus transportation costs;
- c. in respect of insured event 3. the contract price per liter multiplied by the number of liters of milk spoiled; Less the value calculated at the contract price per liter of any milk that may be used by the Insured for any other purpose whatsoever.

SPECIFIC EXCEPTIONS

The Company will not be liable for loss or damage to milk due to or caused by:

- a. the dishonesty of any principal, partner, director or employee of the Insured, whether acting alone or in collusion;
- b. inherent flaw or defect, vermin, insects, damp, mildew or rust;
- c. wear and tear or gradual deterioration (including the gradual effect of light, climate or atmospheric conditions) unless it follows an accident or adversity not otherwise excluded;
- d. and the first amount payable as stated in the Schedule.

SECTION 17: ACCIDENTAL DAMAGE

DEFINED EVENTS (A)

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

The amount payable for all loss or damage arising out of one original cause or source shall not exceed the sum stated and notwithstanding General Condition 5 this Policy shall not be called into contribution for any Defined Event for which more specific insurance has been arranged.

SPECIFIC EXCEPTIONS

The Company shall not be liable for:

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

DEFINITIONS

Insured property

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

- a. current coin (including Kruger Rands and similar coins) bank and currency notes, 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, motorcycles, mobile plant, caravans and trailers;
- e. standing or felled trees, crops, animals, land (including topsoil, backfill, drainage and culverts), driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines (external to the premises), tunnels, cables (external to the premises) cableways, bridges, docks, jetties, wharves, piers, excavations, property below the ground or explosives;
- f. electronic data processing equipment and external data media (punch cards, tapes, discs and the like) and the information they contain;
- g. property in the course of construction, erection or dismantling including materials or supplies related thereto;
- h. property in the possession of customers under lease, rental, credit or suspensive sale agreements;
- i. glass, china, earthenware, marble and other fragile or brittle objects.

DEFINED EVENTS (B)

Discharged or Leakage (if stated in the Schedule to be included)

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

CLAUSES AND EXTENSIONS

1. Additional Costs

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

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

Above-mentioned costs do not include the following:

- 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;
- e. the sum insured on all insured property includes charges levied by any authorised fire brigade for their services;

Provided that the Company shall not be liable:

- i. under (a), (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay;
- ii. under (d) for any expenses in connection with the preparation of the Insured's claim;
 - i. under (a), (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay;
 - ii. under (d) for any expenses in connection with the preparation of the Insured's claim;
- iii. under (c) for any costs or expenses;
- b. arising from pollution or contamination of property not insured by this Policy/Section.

2. Restricted Cover

The insurance in respect of documents, manuscripts, business books, plans, designs, patterns, models, moulds and computer system records are 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.

3. Mortgagees

From the date of notification, the Company accepts the interest of a mortgagee or others with an insurable interest in

the insured property and will not prejudice such interest due to the act or omission of the mortgagor without the mortgagee's knowledge; Provided that: the mortgagee advises the Company as soon as such act or omission comes to his/her knowledge and agrees to be responsible for any additional premium resulting from the Company assuming any increased hazard.

4. Railway and other Subrogation

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

5. Tenants

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

ENDORSEMENTS

1. Excluded property (if stated in the Schedule to be included)

It is hereby declared and agreed that the property listed in the Schedule is added to the excluded property in the definition of insured property.

MEMORANDA

1. Reinstatement (if stated in the Schedule to be included)

The basis upon which the amount payable is to be calculated following an insured event to buildings, plant and machinery shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than such insured property when new; Provided that:

- a. the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment, beyond the amount that would have been payable if this Memorandum had not been incorporated in this Section shall be made;
- b. the Company shall not be liable for any payment beyond the amount that would have been payable if this Memorandum had not been incorporated in this Section, until expenditure has been incurred by the Insured in replacing or reinstating the lost or damaged insured property;
- c. if, at the time of replacement or reinstatement the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, the Insured shall be considered their own insurer for the difference and shall bear a rateable share of the loss accordingly. Each item, if more than one, to which this Memorandum applies shall be separately subject to this provision;
- d. this Memorandum shall not apply if:
 - i. the Insured fail to intimate to the Company within 6 (six) months of the insured event or such further time as the Company may allow in writing their intention to replace or reinstate the lost or damaged insured property;
 - ii. the Insured are unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

2. Underinsurance (if stated in the Schedule to be included)

If on the occurrence of an insured event the value of the insured property is greater than the sum insured thereon the Insured shall be considered his, own insurer for the difference and shall bear a rateable share of the loss accordingly. Each item, if more than one, shall be separately subject to this

MEMORANDUM.

1. First Loss Underinsurance (if stated in the Schedule to be included)

If, at the time of any loss or damage arising, the total value of the property described by each item does not exceed the sums stated in the Schedule then this insurance shall be declared free of underinsurance but if the total value of

such property shall be greater than the aforementioned sums, the Insured shall be considered as being their own insurer for the difference and the Company shall be liable only for such proportion of the first loss sum insured as the aforementioned

sums shall bear to the total value not exceeding in all the total sum insured by each item.

2. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

SECTION 18: PUBLIC LIABILITY (claims made basis)

OPERATIVE CLAUSE

Damages which the Insured shall become legally liable to pay consequent upon death of or bodily injury to or illness of any person or loss of or physical damage to tangible property 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.

LIMITS OF INDEMNITY

The amount payable, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for anyone event or series of events with one originating cause or source, that gave rise to the claim or claims, shall not exceed the limit of indemnity stated in the schedule. In the event of any one originating cause giving rise to a claim or series of claims which form the subject of indemnity by more than one extension of this Section, each Extension shall apply separately and be subject to its own separate limit of indemnity; Provided always that: the Company's liability shall be limited to the highest limit of indemnity available under any one of the Extensions affording indemnity for the claim or series of claims. Where more than one period of insurance of this Policy, following its renewal or replacement may apply to an originating cause or sources, the Insurer's liability will be limited to the maximum Limit of Indemnity for any one such period of insurance.

TERRITORIAL LIMITS

Anywhere in the world but not in connection with:

1. any business carried on by the Insured at or from premises outside of; or
2. any contract for the performance of work outside of; the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

DEFINITIONS

For the purposes of determining the indemnity granted by this Section the following terms shall mean:

Damage

Loss of or physical damage to tangible property and extent to include wrongful interference with the enjoyment of rights over tangible property.

Employee

Person/s employed under a contract of service or apprenticeship with the Insured.

Injury Death, bodily injury, mental injury, illness (mental or physical) or disease of or to any person.

Insured Any person or persons, company, or other entity as listed as insured in the schedule acting as a director, member, partner or principal of the business

- a. including their predecessors in that specific business as director, member, partner or principal and
- b. any person who becomes a director, member, partner or principal during the period of insurance, but limited to the extent that liability only attach to the Insured.

Legal Costs

Costs, charges and expenses incurred by the Company or by the Insured with the Company's prior consent:

- a. In the defense or settlement of any claim under this Policy or any action or prosecution brought against the Insured in respect of injury or damage or other liability as insured in terms of this Section of the Policy;
- b. In the representation at any inquest or accident inquiry in respect of injury which may form the subject of indemnity

under this Section of the Policy and/or in defending any proceedings in a Court of Summary jurisdiction in respect of matters which may form the subject of indemnity by this Section of the Policy.

Loss

Loss constitute any event which leads to a claim being instituted against the Insured arising from either Damage or Injury inclusive of Legal Costs as defined in this wording.

North America

The United States of America and Canada and or any other territory that may be operating under the laws of these two respective countries.

Policy

The contents of this document together with the schedule, incorporating all Extensions and Endorsements, issued from time to time by the company and the proposal which shall all be read together as evidencing the contract of insurance.

Pollution

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

Product

Any tangible property (including containers and labels) after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired inclusive of any gratuitous or technical advice given by the Insured in the promotion of such product on behalf of the Insured. This shall exclude food and drink provided as a staff benefit to employees by the Insured.

Proposal

The application for the insurance cover provided by this policy including the proposal form identified in the schedule together with any other documentation or information submitted to the company for consideration of the risk.

Schedule

The schedule attaching to this Policy, incorporating all Endorsements.

Takeover and Merger

Any transaction whereby another company acquires control over the assets or management of the named Insured or whereby the assets of the Insured become vested in or under the control of another company including a transfer of whole or any part of a business, trade or undertaking that is transferred as a going concern.

Contractor

A contractor is deemed to be any party whose source of income is derived from performing work in terms of a contract on property placed in the contractor's custody or control at a premises temporarily occupied for purposes of such work. Such work includes installation, construction, erection, maintenance, replacement, demolition, breaking out, dismantling and or rebuilding.

SPECIFIC EXCEPTIONS

The Company will not indemnify the Insured in respect of:

1. Employees

Liability consequent upon injury to any person employed by the Insured under a contract of service or apprenticeship and arising from and in the course of such employment by the Insured;

2. Property Liability consequent upon damage to:

a. property:

i. belonging to the Insured;

ii. in the custody or control of the Insured or any employee of the Insured;

b. that part of any property on which the Insured are or have been working if such damage results directly from such work

3. Professional Advice

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) given or administered by or at the direction of the Insured.

4. Vehicles, Watercraft, Locomotives

Liability consequent upon injury or damage caused by or through or in connection with the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft, locomotive or rolling stock;

Provided that: this Specific Exception shall not relieve the Company of liability to indemnify the Insured in respect of liability consequent upon injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the loading or unloading of any vehicle including goods transported thereby and falling there from, insofar as such injury or damage is not insured by any other insurance Policy or Section;

5. Aircraft

Liability consequent upon injury or damage caused by or through or in connection with:

- a. the refuelling of aircraft;
- b. the ownership, possession, maintenance, operation or use of aircraft or an airline;
- c. the ownership hiring or leasing of any airport, airstrip or helicopter pad.

6. Products

Liability consequent upon injury or damage:

- a. caused by or through or in connection with goods or products, including containers and labels, sold or supplied and happening elsewhere than on premises occupied by the Insured, other than food and drink supplied incidentally for consumption on the premises;
- b. occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work;

7. Vibration and Removal of Support

Liability consequent upon injury or damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;

8. Pollution

Liability in respect of:

- a. Liability in respect of injury, damage or loss of use of property directly or indirectly caused by pollution;
- b. the cost of removing, nullifying or cleaning up substances resulting from pollution unless the pollution is caused by a sudden unintended and unforeseen occurrence.

Provided that: this Specific Exception shall not apply where such pollution is caused by a sudden, unintended and unforeseen occurrence; This Specific Exception shall not extend this Policy to cover any liability which would not have been insured under this Policy in the absence of this Specific Exception;

9. Fines and Penalties

Liability consequent upon fines, penalties, punitive, exemplary or vindictive damages.

10. USA and Canada judgements, awards or settlements

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

11. Events known to the Insured

Liability consequent upon any claim arising from an event known to the Insured:

- a. which is not reported to the Company in terms of General Condition 7;
- b. prior to inception of this Section;

12. Compulsory first amount payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule in respect of any

one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or originating cause or source. The provisions of the Clause shall apply to claims arising from damage or injury and shall apply to legal costs incurred by the Insured.

13. Deliberate or Intentional Acts

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

14. Unlawful Competition

Liability consequent upon Injury or damage arising out of the deliberate, conscious and intentional disregard by the Insured's management of the need to take reasonable precautions to prevent any event or circumstance which may give rise to a claim. Any claim or claims whether actual or alleged howsoever arising in connection with or based upon or arising from or in any way involving actual or alleged unlawful competition, unfair practices, abuse of monopolistic power, cartel activities or as may otherwise arise from or be based upon or relate to any breach of a provision of the Competition Act no. 89 of 1998 (as amended) or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the Insured's liability arose.

15. Liability Assumed by Agreement

Liability assumed by agreement (other than under the Insured's own standard conditions of contract) unless liability would have attached to the Insured notwithstanding such agreement;

16. Work by contractors (unless stated in the schedule to be included)

Liability consequent upon performing contract work by a contractor unless stated in the Schedule.

17. Circumstantial liability

Liability consequent upon injury or damage directly or indirectly caused by or in connection with or arising from or attributable to:

- a. explosives or the explosion of a boiler;
- b. flood;
- c. the bursting of a dam wall unless stated in the Schedule to apply and the Company has received the additional premium;
- d. application of firearms relating to any form of hunting or game viewing for commercial purposes.

18. Spreading of fire (excluding sugarcane, forests & plantations)

Damage caused by spread of fire to neighboring premises.

19. Spreading of fire (including sugarcane, forests & plantations)

Damage to sugar cane, crops, plantations and/or forests caused by spread of fire to neighboring premises.

20. Water

Attachment or the diverting of water by the Insured or any person acting on behalf of the Insured Memorandum In respect of this section only, General Exception 1 is deleted and replaced by the following: "This section does not cover injury, damage or liability directly or indirectly caused by, related to, or in consequence of war, invasion, act of foreign enemy, hostilities, whether war be declared or not, civil war, mutiny, insurrection, rebellion, revolution, military or usurped power."

21. Liability consequent upon injury or damage:

- a. caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the Insured
- b. caused by or through or in connection with the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft, locomotive or rolling stock, provided that this Specific Exception shall not relieve the Company of liability to indemnify the Insured in respect of liability consequent upon injury or damage caused or arising beyond the limits of any carriageway or thoroughfare in connection with the loading or unloading of any vehicle including goods transported thereby and falling therefrom, insofar as such injury or damage is not insured by any other insurance Policy or Section

- c. caused by or through or in connection with:
 - i. the refueling of aircraft
 - ii. the ownership, possession, maintenance, operation or use of aircraft or an airline
 - iii. the ownership, hire or leasing of any airport, airstrip or helicopter pad
- d. caused by or through or in connection with goods or products (including containers and labels) sold or supplied and happening elsewhere than on premises occupied by the Insured other than food and drink supplied incidentally for consumption on the premises
- e. occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work

SPECIFIC CONDITIONS

1. Claims First Made in Writing Against the Insured

Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General Condition 7 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Company.

2. Reporting of Events After Cancellation or Non-renewal of Policy

In the event of cancellation or non-renewal of the Policy, the Insured may report an event in terms of General Condition 7 to the Company within 30 (thirty) days after expiry of the period of insurance provided such event occurred during the period of insurance.

3. Series of Claims from One Originating Cause

Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the Insured:

- a. on the date that the event was reported by the Insured in terms of General Condition 7; or
- b. if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.

4. Manifestation Clause

When it cannot be reasonably established from the facts and the Company and the Insured cannot mutually agree when the injury or damage occurred, then for the purposes of determining the indemnity granted:

- a. the injury shall be deemed to have occurred when the claimant first consulted a qualified practitioner regarding such injury, whether or not it was correctly diagnosed at the time. If no such consultation took place, then the Injury shall be deemed to have occurred when the Insured was first advised of the injury;
- b. the damage shall be deemed to have occurred when it first became evident to the claimant, even if the cause was unknown.

5. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

EXTENSIONS

1. Additional Insured's

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

- a. in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured;
- b. any partner or director or employee of the Insured (if the Insured so requests) against any claim for which the Insured is entitled to indemnity under this insurance;
- c. to the extent required by the conditions of any contract (and notwithstanding Specific Exception 5), and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by the Insured for the purposes of the business;
- d. in respect of the activities of any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like, belonging to or formed by the Insured for the benefit of their employees:

- i. any officer or member thereof;
- ii. any visiting sports team or member thereof;

Provided that:

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

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

2. Security Firms

Notwithstanding Specific Exception 15, if in terms of a contract with a security firm engaged to protect the Insured's property in the course of the business of the Insured stated in the Schedule or persons, the Insured becomes legally liable for the acts or omissions of the employees of the security firm in the course of their employment, then this Section includes such legal liability to the extent that indemnity would have been granted under this Section had the said employees been under a contract of service to the Insured and not the security firm, but not exceeding the limit of liability stated in the Schedule. If, at the time of an event giving rise to a claim, the security firm is entitled to indemnity under any other Policy in respect of the same event, the Company shall not be liable to make any payment except in respect of any amount above the amount payable under such other Policy.

3. Cross Liabilities

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

4. Tool of Trade

Specific Exception 4 shall not apply to the operation as a tool of any vehicle or plant forming part of such vehicle or attached thereto; Provided that: the Company shall not be liable hereunder in respect of so much of any liability as falls within the scope of any form of motor insurance or compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected, nor shall the Company be liable where any other form of motor insurance has been effected by the Insured covering the same liability.

5. Employees' and Visitors' Property

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

6. Unattached Trailers

Specific Exception 4 shall, as far as it relates to trailers, not apply in respect of any trailer not attached to and not having become unintentionally detached from any mechanically propelled vehicle;

Provided that: the Company shall not be liable hereunder in respect of so much of any liability:

- a. which is insured by or would, but for the existence of this Section, be insured by any other Policy or Policies effected by the Insured;
- b. as falls within the scope of any compulsory third-party insurance legislation, notwithstanding that no such insurance is in force or has been affected.

7. 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.

8. Car Parks

Notwithstanding the provisions of Specific Exception 2(a)(ii), the Company will indemnify the Insured in respect of liability as herein provided arising from loss of or damage to vehicles and their contents and accessories, the property

of tenants, customers, visitors or employees of the Insured using parking facilities provided by the Insured.

9. Tenants Liability

Specific Exceptions 2 (a) (ii) and 21(b) of this Section shall not apply to premises occupied by the Insured as tenant (but not as the owner) thereof.

10. Gratuitous Advice

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

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

- a. the insolvency of the Insured;
- b. financial services and/or cost estimates provided by or on behalf of the Insured;
- c. defamation;
- d. design, formula, supervision, treatment or advice given by or on behalf of the Insured in exchange for a fee or benefit of any kind;
- e. technical information or advice given in connection with a product unless the extension for Products Liability is included in the Schedule.

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

11. Acquisitions and New Business

The indemnity granted by this Section of the 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 formation and/or acquisition. Provided that:

- a. the Retroactive Date in respect of such new Company shall be deemed to be the date when a newly formed and/or acquired Company first purchased liability insurance of the type hereby Insured on a "Claims Made" basis, subject to a declaration from the newly acquired Company's previous management of no known or reported claims or circumstances likely to give rise to a claim at the date of acquisition. In the event of no such declaration, the Retroactive Date shall be the date of such acquisition;
- b. the Insured's business activities remain unchanged;
- c. 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 the Company at inception hereof;
- d. the Insured shall advise the Company of such formations and/or acquisitions before the expiry of 90 (ninety) days thereof and the Company may amend the terms of this Section of the Policy accordingly.

12. Legal Defence Costs

If the Insured so request, the Company will indemnify any employee, partner or director of the Insured against costs and expenses incurred by or on behalf of such person with the consent of the Company in the defence of any criminal action brought against such person in the course of his occupation with the Insured arising from an alleged contravention of the Statutes as herein defined during the period of insurance; Provided that:

- a. in the case of an appeal, the Company shall not indemnify such person unless a senior counsel approved by the Company shall advise that such appeal should, in his/her opinion, succeed;
- b. the Company shall not indemnify such person in respect of any fine or penalty imposed by any magistrate or judge or any loss consequent thereon;
- c. such person shall, as though he/she were the Insured, observe, fulfil and be subject to the Terms, Exceptions and Conditions of this Policy and this Section thereof in so far as they can apply;
- d. the limit of indemnity under this Extension shall not exceed R50 000 (fifty thousand rand) any one event or series of events with one original cause and R50 000 (fifty thousand rand) in anyone (annual) period of insurance.

The Statutes

The Occupational Health and Safety Act No. 85 of 1993 (as amended);

The Mine Health and Safety Act No. 29 of 1996 (as amended);

The Electricity Act No. 41 of 1987 (as amended); and/or any other Act or Ordinance pertaining to the supply of

Electricity all as read in conjunction with the Criminal Procedure Act No. 51 of 1977 (as amended);
The National Veld and Forest Fire Act No. 101 of 1998 (as amended).

13. Wrongful Arrest and Defamation

The Defined Events are extended to include damages:

- a. resulting from wrongful arrest (including assault in connection with such wrongful arrest);
- b. in respect of defamation; Provided that: the limits of indemnity as stated shall not exceed R50 000 (fifty thousand rand) under each of (a) and (b) and R100 000 (one hundred thousand rand) in any (annual) period of insurance.

14. Cycles or Animal Drawn Vehicles

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

15. Droving and Escaping of Animals and Stray Animals

The indemnity by this Section is extended to include the Insured's legal liability arising from droving and/or escaping of animals and stray animals owned by the Insured or for which the Insured is legally responsible (excluding wild animals); Provided that:

- a. the Insured takes all reasonable precautions to prevent damage and complies with the Law regarding the droving of animals on public roads;
- b. that all gates and fences of cattle paddocks directly alongside public roads are kept in a good condition and that all gates having access to public roads are properly closed at all times.

16. Animals/livestock at Shows and auctions Excluding Horses

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

17. Animals not belonging to the Insured

The indemnity by this Section is extended to include the Insured's legal liability arising from animals, not belonging to the Insured, grazing with the approval of the Insured on the Insured's land; Provided that: loss of or damage to such animals is not insured under this Extension.

18. Crop Spraying

The indemnity by this Section is extended to include the Insured's legal liability arising from crop spraying with insecticides and the like on farmlands or veld in the possession of or occupied by the Insured; Provided that: the Company shall not indemnify the Insured for any liability that may arise out of aerial spraying of crops, plantations, farmlands or veld.

19. Work away from premises

Notwithstanding anything to the contrary contained in this section it is hereby declared and agreed that the expression "premises" as defined in this section shall be deemed to include any premises at which the Insured is performing work: Provided that: such premises are not under the control of the Insured;

20. Hunters Liability

Notwithstanding anything to the contrary contained in Specific Exception 3, This Section extends to indemnify the Insured against liability arising out of any hunting activities arranged by the Insured and occurring on the Insured's premises; Provided that:

- a. Any visitors participating in such hunting activities who are not permanent residents of the Republic of South Africa will be accompanied by a Professional Hunter who is in possession of a valid professional hunter's permit;
- b. any visitors not described under (a) above are accompanied by the Insured or an employee of the Insured;
- c. prior to participating in any hunting activity all visitors will sign a document drawn up by a qualified attorney disclaiming the liability of the insured or any partner or director or employee of the Insured as a result of any hunting activities;
- d. the Insured must comply with all laws, by-laws and local, municipal, regional and government regulations

applicable to hunting activities.

21. Bovine Malignant Catarrhal Fever "Snotsiekte"

The indemnity by this Section is extended to include the Insured's legal liability arising from the spreading of "Snotsiekte" causing loss or damage as a result of death of any livestock of a third party, if the third party can prove that "Snotsiekte" has been spread by any of the Insured's animals; Provided that: the amount payable under this Extension, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, in respect of indemnity shall not exceed in the aggregate R1 000 000 (one million rand).

OPTIONAL EXTENSIONS (if stated in the Schedule to be included)

1. Extended Reporting Option

At the option of the Insured and subject to payment of an additional premium to be determined and subject to all the Terms, Exceptions and Conditions of this Section, the Company agrees to extend the period during which the Insured may report an event in terms of General Condition 7 for a period to be agreed, but in no circumstances exceeding 36 (thirty six) months (hereinafter referred to as extended reporting period); Provided that:

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

2. Products Liability Included up to R1 000 000 (one million rand) (increased limit applicable if stated in the schedule to be included) and Defective Workmanship

Notwithstanding anything to the contrary contained in Specific Exception 6 (a), the Company will indemnify the Insured in respect of Defined Events happening anywhere in the territories stated in the Schedule elsewhere than at premises occupied by the Insured, and caused by goods or products, including containers and labels, sold or supplied, including wrongful delivery and delivery of incorrect goods, by the Insured in connection with the business. The amount payable under this Extension, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this Extension stated in the Schedule;

Additional Specific Exceptions (Applicable to Products Liability Extension)

This Extension does not cover liability:

- a. for the cost of repair, alteration, recall, reconditioning or replacement of the product or part thereof (including containers and labels) causing injury or damage and/or the loss of use of any product or part thereof;
- b. for the purposes of this additional specific exception the term "replacement" shall be deemed to include any credit or refund granted or alternative product provided by or on behalf of the Insured in lieu of replacement of the defective product;
- c. 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;

- d. arising from the failure of any product or any part thereof to fulfill its intended function or to perform as specified, warranted or guaranteed but this Exception shall not apply to consequent injury or damage;
- e. arising from goods or products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft;
- f. for any defect in any product or any part thereof which the Insured was aware of prior to the inception of this Extension.

3. Limit of Indemnity Provided for Defective Workmanship

Subject otherwise to the terms, conditions and limitations of this policy, the maximum limit of indemnity as provided for defective workmanship is limited to the limit of indemnity as stated in the Schedule.

- a. This limit only extends to include indemnity insofar as it is specific restricted to premises (or the contents thereof) temporarily occupied by the Insured for work therein.
- b. The limit of indemnity is 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.
- c. This limit of indemnity applies to anyone (annual) period of insurance and no claims will be paid exceeding this amount in the aggregate.

4. Extensions of Territorial Limits Under Product Liability

- a. Subject otherwise to the terms, conditions and limitations of this policy, the following changes are made to this section of the policy only in respect of cover provided by the Product Liability section, resulting from goods or products exported to any country:
- b. The territorial limits shall not apply to damages or costs and expenses of litigation recovered by any claimant in respect of judgements delivered in the first instance in any court of the countries as described in the schedule of cover.
- c. In respect of these goods or products (other than raw materials), the Insured shall:
 - i. implement and maintain a system in terms of which these goods or products can be clearly identified by batch number or serial number or date stamp or other similar manner;
 - ii. note and maintain a record of the date on which the actual goods or products were first put into circulation. This record shall be maintained so as to provide the required detail for a minimum period of 10 years after the goods or products were first put into circulation.
- d. The information mentioned in (b.), together with all supporting documentation, shall be made available to the Company or their nominee at any time on request.
- e. The limit of indemnity is restricted to the amount indicated on the schedule of insurance.
- f. In respect of this indemnity, the Insured shall be responsible for the first amount payable shown in the schedule for this extension.
- g. The maximum limit of indemnity for liability stated in the schedule is 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.
- h. This limit of indemnity applies to anyone (annual) period of insurance and no claims will be paid exceeding this amount in the aggregate.

Additional specific exception applicable to this extension

This Extension does not offer any indemnity which will be deemed to be excluded under Specific Exception 10, USA and Canada judgments, awards or settlements/ Additional Specific Exceptions (applicable to defective workmanship extension)
This extension does not cover liability

- a. for the cost of repair, alteration, recall, reconditioning or replacement of the product or part thereof (including containers and labels) causing injury or damage and/or the loss of use of any product or part thereof;
- b. for the purposes of this additional specific exception the term "replacement" shall be deemed to include any credit or refund granted or alternative product provided by or on behalf of the Insured in lieu of replacement of the defective product;
- c. arising from inefficacy of such work or because the work did not produce the result anticipated or claimed;
- d. arising prior to the handing over of such work;
- e. arising from defective design;

5. Spreading of Fire (excluding sugarcane, forests & plantations)

1. At the payment of an additional premium Specific Exception 18 of this Section is cancelled; Provided that: this Extension does not cover damage to plantations, forest or sugar cane;
2. This extension includes a sub limit for direct costs incurred by firefighting teams up a maximum of R150 000 (one hundred and fifty thousand rand) or the amount as stated in the schedule payable in any 12 (twelve) month period of insurance; Provided that:
 - a. only the Fire Protection Officer in control of fighting the fire may call in the assistance of bombers to fight the fire;
 - b. proof of costs incurred need to be substantiated.

Special Proviso

It is a condition precedent to liability that the Insured at the time of the occurrence giving rise to a claim in terms of this Extension also complies with all requirements contained in the National Veld and Forest Fire Act No. 101 of 1998 (as amended).

6. Spreading of Fire (including sugarcane, forests & plantations)

1. At the payment of an additional premium Specific Exception 19 of this Section is cancelled;
2. This extension includes a sub limit for direct costs incurred by fire fighting teams up a maximum of R150 000 (one hundred and fifty thousand rand) or the amount as stated in the schedule payable in any 12 (twelve) month period of insurance; Provided that:
 - a. only the Fire Protection Officer in control of fighting the fire may call in the assistance of bombers to fight the fire;
 - b. proof of costs incurred need to be substantiated. Special Proviso

It is a condition precedent to liability that the Insured at the time of the occurrence giving rise to a claim in terms of this Extension also complies with all requirements contained in the National Veld and Forest Fire Act No. 101 of 1998 (as amended).

7. Liability Consequent Upon the Bursting or Overflowing of a Dam Wall

At the payment of an additional premium Specific Exception 17(b) & 20 of this Section is cancelled; Provided that: the amount payable in terms of this Extension inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one event or series of events with one original cause or source, or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of indemnity for this Extension stated in the Schedule;

8. Guesthouse Liability Accommodation and Lodging

At the payment of an additional premium the following amendments will apply:

- a. Property of visitors or guests

Extension 5 is amended to read as follow:

Specific Extension 2(a) (ii) shall not apply to property belonging to any visitor or guest to the Insured's premises; Provided that: the liability of the Company in respect of property belonging to any visitor or guest shall be limited to R10 000 (ten thousand rand) per event and R50 000 (fifty thousand rand) in any one (annual) period of insurance 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;

- b. Legal Defence Costs

Extension 12 relating to legal defence costs is amended to include the following acts:

The Liquor Act No. 27 of 1989 (as amended);

The Tourism Act No. 72 of 1993 (as amended);

The Health Act No. 63 of 1977 (as amended).

9. Flooding

Specific exception 17(b) & 20 is deleted with the following conditions:

- a. Any structure for retaining of water in whatsoever format need to be compliant to the National Water Act, no. 36 of 1998 (as amended)
- b. Losses occurring due to sudden and or unforeseen heavy downpour is excluded under this extension.
- c. Loss due to a mass of water not originating on the land of the insured which leads to a flood is not covered under this extension

- d. this extension is limited to the amount as per the schedule
- e. claims arising from water disputes between the insured and a third party are not covered under this extension

10. Employers Liability

Defined events

At the payment of an additional premium the Company shall indemnify the Insured in respect of:

Damages which the Insured shall become legally liable to pay consequent upon death of or bodily injury to or illness of any person employed under a contract of service or apprenticeship with the Insured, which occurred in the course of and in connection with such person's employment by the Insured within the territorial limits and on or after the retroactive date shown in the Schedule and which results in a claim or claims first being made against the Insured in writing during the period of insurance.

Territorial Limits

Anywhere in the world but not in connection with:

1. any business carried on by the Insured at or from premises outside; or
2. any contract for the performance of work outside; the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

Limit of indemnity

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

EXTENSIONS

1. Extended reporting option (if stated in the Schedule to be included)

At the option of the Insured and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this Section, the Company agrees to extend the period during which the Insured may report an event in terms of General Condition 7 for a period to be agreed, but in no circumstances exceeding 36 (thirty six) months (hereinafter referred to as extended reporting period);

Provided that:

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

2. Principals

Where a principal and the Insured are liable for the same damages and where any contract or agreement between a principal and the Insured so requires, the Company will, notwithstanding the aforementioned Specific Exception (3) hereunder, indemnify the principal in like manner to the Insured but only so far as concerns the liability of the principal to an employee as aforementioned for death or bodily injury to or illness of such person resulting from the negligence of the Insured or the Insured's employees; Provided that:

- a. in the event of a claim in terms of this Extension the Insured shall endeavour to arrange with the principal for the

- conduct and control of all claims to be vested in the Company;
- b. the principal shall, as though he were the Insured fulfil and be subject to the Terms, Exceptions and Conditions (both General and Specific) of this Policy in so far as they can apply;
- c. the liability of the Company is not hereby increased.

Specific Exceptions

This following are not covered:

1. liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event;
2. fines, penalties, punitive, exemplary or vindictive damages;
3. 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;
4. any claim arising from an event known to the Insured:
 - a. which is not reported to the Company in terms of General Condition 7;
 - b. prior to inception of this Section;
5. any claim (in the event of cancellation or non-renewal of this Section) not first made in writing against the Insured within the 48 (forty-eight) month period (or extended period in respect of minors) as specified in Specific Condition 2.

Specific conditions

1. Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source shall be treated as if they all had first been made against the Insured:
 - a. on the date that the event was reported by the Insured in terms of General Condition 7; or
 - b. if the Insured was not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against the Insured.
2. Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General Condition 7 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Company.
3. In the event of cancellation or non-renewal of the Policy:
 - a. any claim resulting from a reported event, first made in writing against the Insured during the 48 (forty-eight) months immediately following cancellation or non-renewal shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of 48 (forty-eight) months will be extended until the expiry of 12 (twelve) months after the attainment of majority by the claimant;
 - b. the Insured may report an event in terms of General Condition 7 to the Company for up to 15 (fifteen) days after cancellation or non-renewal;

Provided that:

- i. such event occurred during the period of insurance;
- ii. any subsequent claim first made in writing against the Insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 (forty-eight) month period specified in 3. a. above.

Specific Provision

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

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

SECTION 19: UMBRELLA LIABILITY

OPERATIVE CLAUSE

The Insurers will indemnify the Insured subject to the terms, exclusions, conditions and Limit of Indemnity as more particularly described under Policy Intention (Clauses 4, 5, 6 & 7) against the Insured's legal liability to pay damages and associated claimants' costs in consequence of causing Injury or Damage, and the giving of Negligent Advice arising out of the performance of the Business within the Territorial Limits and in accordance with the law and procedure applicable anywhere in the world but not in respect of any judgement, award or settlement made within countries which operate under the laws of North America (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part).

DEFINITIONS

For the purpose of this Policy, wherever they appear, the words or terms below shall be interpreted as follows: -

Injury is death, injury, illness (mental or physical), disease, assault, defamation, false imprisonment or arrest of/or to any person.

Damage is loss of or damage to tangible property, conversion, trespass, nuisance, infringement of copyright, title, slogan, idea or wrongful interference with the enjoyment of rights over tangible property.

Negligent Advice is incorrect or inadequate advice given in the promotion of the Insured's Products, but without expectation of any other reward.

The "**Business**" is defined in the Schedule, but also includes all organisations or functions operated for the benefit of the Insured's employees or visitors or for the protection or promotion of the Insured's activities.

"**Product**" shall mean any tangible property including labels and/or containers (other than a vehicle) after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured but not food and drink provided mainly to the Insured's Employees as a staff benefit.

North America is the United States of America (being the 50 States of the Union plus the district of Columbia), Canada and any territory operating under the laws of or subject to the jurisdiction of courts of the aforementioned territories.

Occurrence/Claim is in the absence of a definition of similar effect in an applicable underlying policy

1. an accident or event (including continuous or repeated injurious exposure to substantially the same general conditions) which happens during the Period of Insurance, neither expected nor intended from the standpoint of the Insured and which results in Personal Injury or Property Damage. A series of accidents or events following as a consequence of one original cause or happening at an identifiable point in time or happening as a result of an identifiable source in respect of Products shall be deemed to be one Occurrence and as having occurred during the Period of Insurance when the first accident or event happened irrespective of the period over which such accidents or events occur.
2. (in either the singular or plural) a written demand or a series of demands arising from one source or original cause made against the Insured for damages insured in terms of this Policy. For the purposes of this Policy the date of such demand shall represent the date the Claim is first made against the Insured.

LIMIT OF INDEMNITY

The Insurers shall only be liable to pay damages and costs as detailed in Clause 1, the excess of either

- a. the limits of any Scheduled Underlying Insurances which may apply in respect of each Occurrence/Claim indemnified by Excess Layer Protection, or
- b. the amount stated in the Schedule as the Deductible, in respect of each Occurrence/Claim indemnified by Difference in Conditions Protection and Additional Risks Protection, and then limited to a further sum as stated in the Schedule in all in respect of each Occurrence/Claim but in the aggregate during the Period of Insurance when an aggregate limit in the Scheduled Underlying Insurances applies. In the event of any one originating cause giving rise to a claim or series of claims which form the subject of indemnity by more than one insuring section of, or more than one of, any Scheduled Underlying Insurances, the total amount of the Insurers' liability in terms of this Policy shall be limited to the Limit of Indemnity stated in the Schedule. To the extent that the Insured is accountable to the

tax authorities for Value Added Tax in respect of any payment in terms of this Policy the Insurers will include the amount of such tax in the final settlement of any claim under this Policy in addition to the Limits of Indemnity.

POLICY INTENTION

Within the limits of the Operative Clause, this Policy provides indemnity in the following alternative circumstances: – 1.

1. Excess Layer Protection

where the claim is prima facie covered by the terms of any of the policies listed as Scheduled Underlying Insurances, then this Policy operates only to the extent that the claim is not met by such Scheduled Underlying Insurances solely because of the inadequacy of the Underlying Limit of Indemnity.

2. Difference in Conditions Protection

where the claim is within the scope of the operative clause of any Scheduled Underlying Insurance, then this Policy operates only when such claim is rejected by the Underlying Insurers because of a policy term, condition or exclusion.

3. Additional Risk Protection

Where the claim is outside the scope of the operative clause of any Scheduled Underlying Insurance, then this Policy operates within the limitations of its own Operative Clause. This Clause 4 establishes the intention of this Policy, but does not modify, alter or extend the specific terms, Conditions and Exclusions of this Policy, which remain paramount.

Excess Layer Protection

1. This Clause provides indemnity in respect of claims which are indemnified, during the period of this Policy, by a Scheduled Underlying Insurance:

- a. in excess of the Limit of Indemnity stated to apply to the Scheduled Underlying Insurance, except where such limit has been reduced or exhausted by reason of claims, in which case this Policy pays in excess of the residual limit (if any).
for claimants' costs provided these are not recoverable from the Scheduled Underlying Insurance. In the
- b. event of the wording of the Scheduled Underlying Insurance contradicting and thereby legally amending this provision, the Insurers' maximum liability under this sub-clause shall be the same proportion of incurred costs as the settled claim bears to the respective Limit of Indemnity.

2. In respect of any claim which forms the subject of indemnity of any Scheduled Underlying Insurance, this Policy is declared to be subject to the same terms, conditions and exclusions as such Scheduled Underlying Insurance and the Insurers agrees to follow the decision of the Underlying Insurers in interpreting such terms, conditions and exclusions.

3. Any decision of the Underlying Insurers to accept a claim on an "ex gratia" or "without prejudice" basis shall not be binding on the Insurers of this Policy.

4. No action or decision of the Underlying Insurers which prejudices the rights of the Insurers in the conduct or settlement of any claim under this Policy shall be binding on the Insurers.

5. Where the Limit of Indemnity of the Scheduled Underlying Insurance is exhausted by reason of a claim which is also indemnified by this Policy, the Insurers will continue to follow the original decision of the Underlying Insurers in respect of that claim in accordance with Clause 5.1.

6. Where the Limit of Indemnity of the Scheduled Underlying Insurance is exhausted by previous claims and as a consequence this Policy operates as a primary policy, in respect of any claims which would otherwise have been indemnified by the Scheduled Underlying Insurance, the Insurers will interpret this Policy as if the Underlying Insurance had still been in force.

7. Where the Scheduled Underlying Insurance states that generally or in respect of specified claims the Limit of Indemnity is the aggregate of all indemnifiable claims occurring or made during the underlying period of insurance, then the Limit of Indemnity under this Policy is declared to be on an identical basis as the Scheduled Underlying Insurance.

8. Where the Insurers of a Scheduled Underlying Insurance decline to grant indemnity in respect of a claim on the grounds that either: – the loss did not occur or the event did not occur or the claim was not made during the period of insurance (as the case may be) and as a consequence such claim fails to be indemnified by a policy effected prior to the relevant Scheduled Underlying Insurance, then such prior policy shall be treated as if it was a Scheduled

Underlying Insurance. For the purpose of this Clause 5.8, the limit of indemnity of the prior policy shall be deemed to be not less than the Limit of Indemnity as stated in respect of the relevant Scheduled Underlying Insurance without allowance for reduction or exhaustion of such limit. In all other respects, the provisions of this Clause 5 will apply.

9. Where the Insured is indemnified against a claim by a policy not listed as a Scheduled Underlying Insurance (other than in circumstances described in 5.8 above) then the Insurers may at their sole option (which must be exercised within a reasonable time) deem such policy to be an Underlying Insurance, in which event the provisions of this Clause 5 will apply as far as possible.

DIFFERENCE IN CONDITIONS PROTECTION

1. Where a claim is indemnifiable by the operative clause of a Scheduled Underlying Insurance, but is then declared by the Underlying Insurers to be excluded by reason of a policy term, exclusion or condition, then this Policy will indemnify the Insured in accordance with this Policy's Operative Clause.

2. Where a claim is not excluded by the operative clause of a Scheduled Underlying Insurance which has however been exhausted by reason of other claims and where, in the opinion of the Insurers of this Policy such claim would have been excluded by the Underlying Insurance by reason of a term, exclusion or condition, then the provisions of this Clause 6 will apply.

3. The Insurers will follow the provisions of the operative clause of the appropriate Scheduled Underlying Insurance in determining the basis on which the Insured is indemnified by this Clause of the Policy, being either:

3.1 in respect of Injury or Damage occurring or Negligent Advice given during the Period of this Policy (losses occurring), or

3.2 in respect of claims made against the Insured during the Period of this Policy following Injury, Damage or Negligent Advice (claims made).

4. Whilst the basis of cover will follow the provisions of the operative clause of the Scheduled Underlying Insurance as detailed in Clause 6.3, the interpretation of these provisions will be the decision of the Insurers and not the Underlying Insurers. If the Scheduled Underlying Insurance is on a claim made basis, then the Insurers of this Policy will deal with any claim arisen out of an event or circumstance first notified by the Insured to the Insurers during the Period of his Policy as if the claim had been made during the Period of this Policy even if the Scheduled Underlying Insurance contains no similar provision.

5. If the Underlying Insurers repudiates a claim on the basis of an exclusion relating to the failure of a product to perform as specified, warranted or guaranteed, or to fulfil its intended purpose and such Underlying Insurance is on a losses occurring basis and the circumstances of the claim are such that the Insured or the Insurers cannot mutually agree when the loss occurred, then the Insurers of this Policy will deal with the claim on the basis that the loss occurred when the claimant first notified the Insured of a circumstance or an event which subsequently gave rise to an indemnifiable claim.

6. Generally, this Clause 6 does not provide indemnity where a claim is excluded by the wording of the operative clause of the Scheduled Underlying Insurance. There are, however, two specific exceptions to this rule, being where a claim is excluded by the Scheduled Underlying Insurance:

6.1 solely on the grounds that the Injury or Damage was not accidental by nature, or did not arise out of an accident;

6.2 solely on the grounds that temporary loss of use of property or reduction in value of property did not constitute "damage" within the terms of the operative clause of the Scheduled Underlying Insurance.

Subject always to the provisions of Exclusions 11.5 and 11.9

ADDITIONAL RISKS PROTECTION

1. This Clause will indemnify the Insured in respect of any claim which is not the subject of indemnity by any other policy of insurance, is not indemnified (either in whole or in part) by Clauses 5 or 6 of this Policy and which forms the subject of indemnity by the Operative Clause.

2. The indemnity granted by this Clause 7 is limited to claims made against the Insured during the Period of this Policy, or events or circumstances notified by the Insured to the Insurers during such Period which subsequently give rise to claims being made.

3. The Limit of Indemnity of this Policy in respect of cover granted by this Clause 7 is limited to the aggregate of all claims made during the Period of this Policy, or events or circumstances notified by the Insured to the Insurers during such Period which subsequently give rise to claims being made.

4. No indemnity is provided by this Clause where the Insurers of a Scheduled Underlying Insurance declines to grant indemnity in respect of a claim on the grounds that the Injury, Damage, Negligent Advice or event did not occur or the claim was not made, during the policy period (as the case may be).

INDEMNITY TO OTHERS

The indemnity granted shall extend at the Insured's option and subject to the Insurer's consent which consent shall not be unreasonably withheld, to:

1. directors, partners or employees of the Insured in that capacity or in their private capacity arising out of any temporary engagement (undertaken with the Insured's consent) of the Insured's employees;
2. any person or party to the extent that any contract entered into by the Insured requires that such indemnity is given;
3. the personal representatives of any person or party indemnified; provided always that all such persons or parties shall observe, fulfil and be subject to the terms, Exclusions and Conditions of this Policy.

CROSS LIABILITIES CLAUSES AND EXTENSIONS

No indemnity is granted by Clauses 6 and 7 in respect of liability for or arising out of:

1. Aircraft or Watercraft

the ownership, hire, purchase or leasing of any aircraft, watercraft or hovercraft (other than watercraft not exceeding 15,25 metres in length and then only whilst on inland waterways) by or on behalf of the Insured.

2. Ship and Aviation Repairing

the repair, maintenance, refuelling or defueling of any aircraft, watercraft or hovercraft undertaken by or on behalf of the Insured as a revenue producing activity.

3. Property

Damage to property owned, leased or hired by or under hire purchase or on loan to the Insured or otherwise in the Insured's care, custody or control other than premises (or the contents thereof) temporarily occupied by the Insured for work therein, or other property temporarily in the Insured's possession for work thereon (but no indemnity is granted for damage to the property on which the Insured is working and which arises out of such work). Exclusions 10.1 and 10.2 do not apply to liability for death, injury, illness or disease of or to employees of the Insured arising out of such employment, subject to Policy Exclusion 11.12

POLICY EXCLUSIONS

No indemnity is granted by this Policy against liability

1. Fines and Penalties

for fines, penalties, punitive or exemplary damages.

2. Pollution

arising out of

- 2.1 seepage, pollution or contamination provided always that this Exclusion shall not apply where such seepage pollution or contamination is caused by a sudden, unintended and unexpected happening;
- 2.2 the cost of removing, nullifying or cleaning-up seeping, polluting or contaminating substances unless the seepage,

3. Retroactive Date (Applicable only when underlying insurance is on a claims made basis)

Pollution or contamination is caused by a sudden, unintended and unexpected happening. Nothing herein shall be construed as extending this Insurance to indemnify the Insured for any liability which would not have been covered under this Insurance in the absence of this Exclusion 11.2. for any Injury, Damage or Malice, or for the provision of Negligent Advice which occurs prior to the Retroactive Date which is applicable to the Underlying Insurances or as stated in the Schedule, whichever is the later. For purposes of this Exclusion, where any Injury or Damage resulting from continuous or continual inhalation, ingestion, absorption or application of any substance or condition and where the Insured and the Insurers cannot mutually agree when the Injury or Damage occurred, then:

3.1 Injury shall be deemed to have occurred when the claimant first obtained medical advice or treatment for the Injury, whether or not the Injury was correctly diagnosed at the time;

3.2 Damage shall be deemed to have occurred when the claimant first became aware of the existence of the Damage.

4. Known Events

Arising out of any circumstance, matter or thing which the Insured may reasonably be expected to suppose may give rise to a claim against the Insured and known by the Insured to have occurred prior to the inception of this Policy.

5. Deliberate Acts

arising out of any deliberate or intentional failure of the Insured's management to take reasonable precautions to prevent injury, Damage or Malice occurring or Negligent Advice being given.

6. Employee Benefits

for any benefits for which the Insured is liable under any relevant workmen's compensation, unemployment compensation, disability benefits or similar law scheme.

7. Product Replacement

For the costs necessary to repair, replace, recondition or modify any Product or part thereof and/or for the loss of use of any Product or part thereof.

8. Product Recall

Arising out of the recall of any Product or part thereof.

9. Performance Guarantees

Arising out of performance warranties or guarantees, or clauses stipulating pre-estimated liquidated damages or penalties. The Insured and persons or parties indemnified by Clause 8 are separately indemnified in respect of claims made by one against the other, subject to the Insurer's total liability not exceeding the Limit of Indemnity.

10. Gradually Operating Causes

unless contrary to statutory requirements within the relevant territory occupational related diseases caused or contributed to by prolonged exposure to substances, factors or circumstances peculiar to any particular employment or occupation.

11. Asbestos

Whether actual or alleged for any claim or claims in respect of loss or losses directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by the hazardous nature of asbestos in whatever form or quantity. This Exception does not apply to any Personal or Motor Liability Sections, if included in the Underlying Policy.

12. Motor Third Party Liability

for Motor Balance of Third-Party liability unless such liability is in excess of the limit as Scheduled in the Underlying Insurance and is indemnifiable thereby.

13. Carriage of Fare Paying Passengers

arising out of the carriage of passengers for hire or reward or the carriage of fare paying passengers.

14. Cyber Liability

Loss of or damage to any Electronic Data howsoever caused including detrimental change thereto and any consequence arising therefrom provided that in respect of:

14.1 transmission of Viruses; and

14.2 inaccessibility of the Insured's Computer Network by persons otherwise authorised to access such; and

14.3 loss of Electronic Data this exclusion shall apply at all times. Electronic Data means any information, facts or programmes stored as or on, create or used, or transmitted to or from computer software including systems and application software, disks in whatever form, tapes, cells, data processing devices or any other media which form part of or are used in connection with any electronic equipment.

15. Unfair Labour Practice

arising out of any actual or any alleged unfair labour practice as contemplated by the Labour Relations Act 66 of 1995

amended) or any Act passed in substitution thereof.

16. Radioactive Contamination

16.1 for loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or any consequential loss;

16.2 of whatsoever nature directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel.

For the purposes of the Exclusion only combustion shall include any self- sustaining process of nuclear fission.

The indemnity provided by this Policy shall not apply to nor include any loss destruction damage or legal liability directly or indirectly caused by or contributed to by or arising from nuclear weapons material.

17. North American Exports

Arising out of any Product (including any marketing advisory service in connection with any Product) within North America where such Product was to the knowledge of the Insured intended for sale or resale in North America or such sale or resale could reasonably have been contemplated by the Insured.

18. Directors and Officers Liability and Professional Indemnity

For acts, errors or omissions of the directors or officers of the Insured when acting in their capacity as such, or in the provision by the Insured of professional services which shall include advice given, any action taken or work done by the Insured when carrying on their functions in any capacity involving special skill or knowledge in their calling, or the failure to discharge any obligations pursuant thereto. This exclusion does not apply to the provision of Negligent Advice (as defined).

19. Unfair Competition

for any claim or claims whether actual or alleged howsoever arising in connection with or based upon or arising from or in any way involving actual or alleged unlawful competition, unfair practices, abuse of monopoly power, cartel activities or as may otherwise arise from or be based upon or related to any breach of a provision of the Competition Act No. 89 of 1998 as amended or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the Insured's liability arose.

20. War and Terrorism

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

20.1 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

20.2 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 organisation(s) or government(s), committed for political religious, ideological or similar purposes including the intention to influence any government and/or to put the public, or any section of the public, in fear.

20.3 loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken by any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to (1) and (2) above.

If the Insurers allege 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 Exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.

21. Hazardous Goods

For the transport of hazardous substances not in compliance with chapter VIII of the Road Traffic Act 1996 (Act 93 of 1996).

22. Compulsory Motor Insurance

except for so much of any compensation payable in respect of liability for death of or bodily injury to persons being carried in or upon or getting into or alighting from a vehicle, for injury which –

22.1 is the subject of legislation enacted for the purpose of providing compensation for loss or damage wrongfully caused by the driving of a motor vehicle, or

22.2 is the subject of legislation controlling the use of motor vehicles or trailers and in respect of which liability

- (i) the insured is compelled to effect insurance or otherwise furnish security, or
- (ii) the State or other governmental authority has accepted responsibility, or

22.3 is suffered as a result of an emotional shock by a person other than an injured party on witnessing, observing or being informed of the injury of another person as a result of the driving of a motor vehicle.

This exclusion shall apply notwithstanding that no insurance under such legislation is in force or has been affected, or that compensation is not paid for any reason whatsoever.

23. Sanctions

Insurers will not provide an indemnity nor pay for any legal liability or costs and expenses which would result in Insurers breaching any sanction, prohibition or restriction under United Nations or the trade or economic sanctions, laws or regulations of the European Union, Federal Republic of Germany, United Kingdom or United States of America.

POLICY CONDITIONS

1. Law and Jurisdiction

Any dispute between the Insured and the Insurers in connection with or arising out of the Policy shall be decided exclusively in accordance with the law of the Republic of South Africa and exclusively by a court of South Africa.

The Insured undertakes that they will not institute action against the Insurers nor bring joinder proceedings against the Insurers in the Court of any country other than the Republic of South Africa.

2. Premium

Unless otherwise stated, the Premium shown in the Schedule is a provisional premium based on estimates made and provided by the Insured. The Insured undertakes to keep an accurate and proper record of matters relevant to the calculation of premium and shall, within a reasonable time following the expiry of each Period of Insurance, provide the Insurers with a proper and correct statement so that the premium for that period shall be calculated and the difference paid by or allowed to the Insured as the case may be (subject to any minimum premium that may have been agreed).

3. Inspection and Audit

The Insurers shall be permitted but not obliged to inspect the Insured's property and operations at any time. Neither the Insurer's rights to make inspections nor the making thereof nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the Insured or others, to determine or warrant that such property or operations are safe, or healthy, or are in compliance with any law, rule or regulation. The Insurers may examine and audit the Insured's books and records at any time as far as they are relevant to this Policy or any Underlying Policy.

4. Insured's Obligation to Report to Insurers

The Insured shall, immediately they become aware of any of the following, give notice thereof in writing to the Insurers:

4.1 any and all claims made against the Insured;

4.2 any circumstance or any other matter or thing which might give rise to a claim by the Insured under this Policy.

The Insurers shall upon receipt of written notice from the Insured in terms of either of the foregoing provisions be entitled to investigate all and any matters which in the absolute discretion of the Insurers are relevant to the foregoing, and the Insured shall do all things necessary and comply with Condition 12.3 to enable the Insurers to investigate as aforesaid. Inadvertent failure to comply with this Condition because the Insured could not reasonably have anticipated that the event would give rise to a claim under this Policy will not be construed as a breach of this Condition.

5. Assistance and Co-Operation of the Insured

The Insurers shall be entitled but not obliged to assume control of the settlement or defence of any claim made or suit brought or proceeding instituted against the Insured. The Insurers shall have the right and shall be given the opportunity to associate with the Insured or their Underlying Insurers, or both, in the defence or control of any claim, suit or proceeding which involves the Insurers or within the Underlying Limit of Indemnity, in which event the Insured, such Underlying Insurers and the Insurers shall co-operate in all things in the defence of such claim, suit or proceeding and the Insured shall make available to the Insurers such information and afford access to such records as the Insurers may require. The Insured shall enforce all rights of contribution and indemnity against any person or organisation who may be liable to the Insured in respect of any occurrence which has given rise to liability of the Insured and which is the subject of a claim for indemnity in terms of this Policy.

6. Appeals

In the event that the Insured or their Underlying Insurers elects not to appeal against a judgement in excess of the Underlying Limit, the Insurers may elect to make such appeal at their own cost and expense, and shall be liable for the taxable costs and disbursements and interests on judgement incidental thereto, as are incurred as a result of such election, but in no event, shall the liability of the Insurers exceed the amount applicable to any one occurrence. If the Insurers shall make such an appeal the Insured shall themselves, and shall procure that their Underlying Insurers, make available to the Insurers all such evidence and material as the Insurers may require. The Insured shall do all things necessary to enable the Insurers to act in accordance with this Condition.

7. Claims Payable

Indemnity will not be provided under Clause 5 until the relevant Underlying Insurers has agreed to pay the underlying indemnity limit as defined in 4.1.

8. Bankruptcy or Insolvency

In the event of bankruptcy, insolvency or sequestration of the estate of the Insured, whether voluntary or involuntary, or upon takeover of the Insured's business by any Court Official, Trustee or Liquidator, acting or appointed for this purpose, this Policy shall thereupon terminate without the necessity of the Insurers giving notice of such cancellation. In the event of such termination the Insurers will refund such Court Official, Trustee or Liquidator the unearned premium or pro-rata thereon whichever is the lesser.

9. Underlying Insurances

The indemnity granted by this Policy is conditional upon the Underlying Insurances remaining in force throughout the Insured or the Insurers of any Scheduled Underlying Insurance Policy without the written consent of the Insurers. The Insured will take all reasonable steps to ensure that the Underlying Insurers will co-operate with the Insurers in the defence and settlement of any claim, which is indemnifiable both by a Scheduled Underlying Insurance Policy and this Policy, and in the exercise of any subrogation rights. The costs incurred in exercising such rights and any amounts recovered shall be apportioned to each party according to the sums paid or payable under the respective policies.

10. Other Insurance

If the Insured has affected insurance for the purpose of providing indemnity, other than a policy specifically to provide indemnity in excess of this Policy, the insurance afforded by this Policy shall not contribute with such other insurance. The provisions of this Condition shall apply notwithstanding that the aforesaid policy be voidable or that the Insurers be entitled to avoid liability for an occurrence, which has given rise to a claim under such other policy.

11. Subrogation

No admission offers or payment which results in a claim under this Policy may be made or given by or on behalf of the Insured or the Insurers of any Scheduled Underlying Insurance Policy without the written consent of the Insurers. The Insured will take all reasonable steps to ensure that the Underlying Insurers will co-operate with the Insurers in the defence and settlement of any claim, which is indemnifiable both by a Scheduled Underlying Insurance Policy and this Policy, and in the exercise of any subrogation rights. The costs incurred in exercising such rights and any amounts recovered shall be apportioned to each party according to the sums paid or payable under the respective policies.

12. Changes

Notice to or knowledge possessed by any agent or by any other person shall not affect a waiver or a change in any part of this Policy nor stop the Insurers from asserting any rights under the terms of this Policy; nor shall the terms of this Policy be waived or changed, except by endorsement issued to form a part of this Policy, signed by an authorised representative of the Insurers.

13. Assignment

Assignment of interest under this Policy shall not bind the Insurers until their consent is endorsed hereon.

14. Cancellation

This Policy may be cancelled by the Insurers or by the Insured by the giving of 30 days written notice of such cancellation and provided that the Insurers have not been notified of any claim under the Policy or any circumstance, matter or thing which may give rise to such a claim there shall be a pro-rata refund premium subject to the terms of Condition 12.2.

15. Currency

Payments under this Policy shall be payable in South Africa in the currency of South Africa.

16. Declarations

By acceptance of this Policy the Insured agrees that the statements in the Schedule and in any subsequent notice relating to the Underlying Limits, are their agreements and representations, and this Policy is issued and continued in reliance upon the truth of such representations and this Policy embodies all agreements existing between the Insured and the Insurers relating to this Insurance.

17. Due Observance

The due observance and fulfilment of all provisions in this Policy that require anything to be done or complied with by the Insured is precedent to any liability of the Insurers in respect of any occurrence for which the Insured makes a claim under this Policy.

18. Payment of Premium

Premium is payable before the inception date or renewal date as the case may be. The Insurers shall not be obliged to accept premium tendered to it after such date but may do so upon such terms as they, in their sole discretion, may determine.

19. Fraudulent Claims

If any claim under this Policy is in any respect fraudulent, the benefit afforded under this Policy in respect of such claim shall be forfeited Period of Insurance for the Indemnity Limits stated on the Schedule of Underlying Insurances attached to this Policy (other than where reduced or exhausted by claims).

SECTION 20: STATED BENEFITS

DEFINED EVENTS

If any principal, partner, director or employee of the Insured (hereinafter in this Section referred to as such person) specified in the Schedule should sustain any bodily injury caused by accidental, violent, external and visible means arising from and in the course of his/her employment in the business the Company will pay to the Insured, on behalf of such person or his/her estate, the compensation stated in the Schedule in the event of accidental bodily injury to any such person directly and independently of all other causes, resulting within 24 (twenty four) calendar months in death or disability as specified in the Schedule under the heading circumstances.

COMPENSATIONA.

- A. Death:** The amount equal to the Number of times the average weekly earnings stated in the Schedule.
- B. Permanent disability shall mean:** Percentage of compensation.

Loss by physical separation at or above the wrist or ankle of one or more limbs
100%

Permanent and total loss of:

Whole of one or both eyes
100%

Sight of one or both eyes
100%

Sight of eye except perception of light
75%

Permanent and total loss of hearing:

Both ears
100%

One ear
25%

Permanent and total loss of speech
100%

Loss of index fingers:

Injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training or being permanently bedridden
100%

Loss of four fingers
70%

Loss of thumb:

Both phalanges
25%

One phalanx
10%

Loss of index fingers:

Three phalanges
10%

Two phalanges
8%

One phalanx
4%

Loss of middle fingers:

Three phalanges
6%

Two phalanges
4%

One phalanx
2%

Loss of ring finger:

Three phalanges
5%

Two phalanges
4%

One phalanx
2%

Loss of little finger:

Three phalanges
4%

Two phalanges
3%

One phalanx
2%

Loss of metacarpals:

First /second (additional)
3%

Third, fourth & fifth (additional)
2%

Loss of toes:

All of one foot
30%

Great toe-both phalanges
5%

One phalanx
2%

other than great, if more than one toe lost, each
2%

Burns Disfigurement

Permanent disfigurement resulting from:

100% of the surface area of the head and/ or neck
50%

100% of the surface area of the remainder of the body
25%

Memoranda

- Where the percentage disfigurement under 14a or 14b is less than 100% (one hundred percent) of the surface area the Company will apply to the benefit concerned a percentage based on the extent that actual disfigurement bears to 100% (one hundred percent) disfigurement.
- The Company shall not be liable under 14a or 14b above unless the extent of disfigurement exceeds 10% (ten per cent) individually under 14a or 14b above nor until the permanent effect of medical and/or surgical treatment has been established.
- Where the injury is not specified, the Company will pay such sum as, in their opinion, is consistent with the above provisions.
- Permanent total loss of use of part of the body shall be treated as loss of such part.
- 100% (one hundred 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.

C. Temporary Total Disability

Shall mean total and absolute incapacity from following usual business or occupation.

D. Medical Expenses

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

E. Annual Earnings

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

F. Average Weekly Earnings

Shall mean one fifty-second part of annual earnings; Provided that:

- a. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for Death or Permanent Disability (whichever is the higher) plus any compensation payable for Temporary Total Disability and Medical Expenses;
- b. 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 reasonably possible, notwithstanding that permanent disability may remain;
- c. unless otherwise provided herein, this Section shall not apply to any such person under 15 (fifteen) or over 75 (seventy- five) years of age;
- d. any compensation payable by the Company for any period of Temporary Total Disability or for Medical Expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of such person under any Workmen's Compensation Enactment for Temporary Total Disability for the same or a lesser period or in respect of Medical Expenses;
- e. 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;
- f. General Conditions 5 and 10 do not apply to this Section;
- g. 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";
- h. no compensation shall be payable:
 - i. for Temporary Total Disablement where the period of disablement is less than 7 (seven) consecutive days;
 - ii. for Medical Expenses where such expenses are less than R100 (one hundred Rand);
 - iii. compensation for Temporary Total Disablement and Medical Expenses shall cease immediately;
 - iv. when compensation becomes payable for Death;
 - v. when compensation becomes payable for Permanent Disability provided the bodily injury which resulted in the disablement has been cured or healed as far as reasonably possible.

EXTENSIONS**1. Exposure**

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

2. Disappearance

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

3. Life Support

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

4. Repatriation

The Company will pay, in addition to the compensation payable for Death, reasonable and necessary expenses for the repatriation of such person's body to his/her normal place of residence up to an amount not exceeding R8 000 (eight thousand Rand).

5. Trauma

In the event of an insured person being subjected to an act of violence or a traumatic accident, the Company will reimburse counseling fees actually incurred by such person as a result of the act of violence or traumatic accident: Provided that:

- a. the maximum amount payable by the Company will be R500 (five hundred rand) per visit and R10 000 (ten thousand rand) per insured person and R100 000 (one hundred thousand rand) per policy in any one 12 (twelve) month period of insurance;
- b. the act of violence shall mean an assault, robbery, rape or armed car hijack;
- c. for the purpose of this Extension only, Insured person shall include immediate family members of such insured person, who are subjected to the same incident or occurrence of violence or traumatic accident as the Insured person.;
- d. the act of violence has been reported to the police and a case number obtained.

6. Funeral Expenses

In the event of an accident giving rise to a Death claim the Company will pay to such person's estate R10 000 (ten thousand rand) as a contribution to funeral expenses.

7. Passive War Cover (if stated in the Schedule to be included)

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

8. 24 Hour cover (if stated in the Schedule to be included)

At the payment of an additional premium the words "Arising from and in the course of his/her employment in the business" stated in the Defined Events of this Section are cancelled.

9. Mobility

In the event of the Company admitting a claim in terms of Compensation B – Permanent Disability, and as a direct result of that disability such person is permanently dependent on a wheelchair for mobility, the Company will, in addition to any amount payable for Permanent Disability, compensate for:

- a. a self-propelled wheelchair and/or;
- b. the modification of the controls to such person's motor vehicle and/or;
- c. if necessary, the fitting of wheelchair loading equipment to such person's private vehicle and/or;

d. alterations to such person's private residence to facilitate the use of such wheelchair up to an amount not exceeding R20 000 (twenty thousand rand) any one occurrence. The above maximum amount payable any one occurrence will apply notwithstanding General Condition 7(g) Limit of Liability.

SPECIFIC CONDITIONS

1. Declaration of Earnings

The first premium and all renewal premiums under this Section that may be accepted are to be regulated by the amount of earnings as defined in this Section paid or allowed to the employees by the Insured during each period of insurance and such payment must be duly recorded in a proper wage book against the name of each employee. The Insured shall at all times allow the Company to inspect such books and shall supply the Company with a correct account of all such payments during any terms of insurance within 1 (one) month from the expiry of such term of insurance and if the total amount so paid or allowed shall differ from the amount on which premium has been paid the difference in premium shall be paid by a further proportionate payment to the Company or by a refund by the Company as the case may be.

SPECIFIC EXCEPTIONS

The Company shall not be liable to pay compensation for Death, Disability or Medical Expenses in respect of such person:

- a. while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- b. by his/her suicide, attempted suicide or intentional self-injury;
- c. caused solely by an existing physical defect or other infirmity of such person;
- d. as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself/herself) or as a result of such person's driving a motor vehicle whilst his/her blood alcohol percentage exceeds the statutory limit at the time of the occurrence;
- e. as a result of his/her participation in any riot or civil commotion;
- f. as a result of insanity, any form of neurosis, acquired immune deficiency syndrome (AIDS), venereal disease, any physical defect or weakness, malignant disease of the mammary glands, pregnancy, childbirth, abortion or miscarriage, or any complication or sequel thereof;
- g. while he/she is, or as a result of his/her engaging in:
 - i. motor cycling (whether as a driver or passenger) other than on the business of the Insured;
 - ii. racing of any kind involving the use of any power driven:
 - a. vehicle;
 - b. vessel;
 - c. craft;
 - iii. mountaineering necessitating the use of ropes or a guide, winter sports involving snow or ice, polo on horseback, steeple chasing, professional football, hang-gliding, parachuting, skydiving, bungee jumping, wrestling, boxing, scuba diving, water-skiing or martial arts;
- h. by his/her involvement or participation in any defence force and/or armed forces training, service, exercises or operations except peace time military training;
- i. as the result of an accident attributable to such person's serious and wilful misconduct;
- j. whilst such person is using or as a result of such person's use of woodworking machinery other than as a domestic hobby;
- k. whilst such person is engaged in, or as a result of such person engaging in mining, shaft sinking, underground mining operations, or the manufacture or use of explosives.

SECTION 21: GROUP PERSONAL ACCIDENT

DEFINED EVENTS

If any principal, partner, director or employee of the Insured (hereinafter in this Section referred to as such person) specified in the Schedule should sustain any bodily injury caused by accidental, violent, external and visible means arising from and in the course of his/her employment in the business the Company will pay to the Insured, on behalf of such person or his/her estate, the compensation stated in the Schedule in the event of accidental bodily injury to any such person directly and independently of all other causes, resulting within 24 (twenty four) calendar months in death or disability as specified in the Schedule under the heading circumstances.

COMPENSATIONA.

A. Death: The amount equal to the Number of times the average weekly earnings stated in the Schedule.

B. Permanent disability shall mean: Percentage of compensation.

Loss by physical separation at or above the wrist or ankle of one or more limbs
100%

Permanent and total loss of:

Whole of one or both eyes
100%

Sight of one or both eyes
100%

Sight of eye except perception of light
75%

Permanent and total loss of hearing:

Both ears
100%

One ear
25%

Permanent and total loss of speech
100%

Loss of index fingers:

Injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which such person is fitted by knowledge or training or being permanently bedridden
100%

Loss of four fingers
70%

Loss of thumb:

Both phalanges
25%

One phalanx
10%

Loss of index fingers:

Three phalanges
10%

Two phalanges
8%

One phalanx
4%

Loss of middle fingers:

Three phalanges
6%

Two phalanges
4%

One phalanx
2%

Loss of ring finger:

Three phalanges
5%

Two phalanges
4%

One phalanx
2%

Loss of little finger:

Three phalanges
4%

Two phalanges
3%

One phalanx
2%

Loss of metacarpals:

First /second (additional)	Third, fourth & fifth (additional)
3%	2%

Loss of toes:

All of one foot	Great toe-both phalanges	One phalanx
30%	5%	2%
other than great, if more than one toe lost, each		
2%		

Burns Disfigurement

Permanent disfigurement resulting from:

100% of the surface area of the head and/ or neck	100% of the surface area of the remainder of the body
50%	25%

Memoranda

- Where the percentage disfigurement under 14a or 14b is less than 100% (one hundred percent) of the surface area the Company will apply to the benefit concerned a percentage based on the extent that actual disfigurement bears to 100% (one hundred percent) disfigurement.
- The Company shall not be liable under 14a or 14b above unless the extent of disfigurement exceeds 10% (ten per cent) individually under 14a or 14b above nor until the permanent effect of medical and/or surgical treatment has been established.
- Where the injury is not specified, the Company will pay such sum as, in their opinion, is consistent with the above provisions.
- Permanent total loss of use of part of the body shall be treated as loss of such part.
- 100% (one hundred 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.

C. Temporary Total Disability

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

D. Medical expenses

shall mean all costs and expenses necessarily incurred for artificial aids, prostheses, medical, surgical, dental, nursing home or hospital treatment (including costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) as a result of bodily injury and incurred within 24 (twenty four) months of the Defined Event; Provided that:

- the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one such person, more than the compensation payable for Death or Permanent Disability (whichever is the higher) plus any compensation payable for Temporary Total Disability and Medical Expenses;
- 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;
- unless otherwise provided herein, this Section shall not apply to any such person under 15 (fifteen) or over 75 (seventy- five) years of age;
- after suffering accidental bodily injury for which compensation may be payable under this Section, such person shall, when reasonably required by the Company to do so, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- General Conditions 5 and 10 do not apply to this Section;
- 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”;

g. no compensation shall be payable:

- i. for Temporary Total Disablement where the period of disablement is less than 7 (seven) consecutive days;
- ii. for Medical Expenses where such expenses are less than R100 (one hundred Rand);

h. compensation for Temporary Total Disablement and Medical Expenses shall cease immediately:

- i. when compensation becomes payable for Death;
- ii. when compensation becomes payable for Permanent Disability provided the bodily injury which resulted in the disablement has been cured or healed as far as reasonably possible.

SPECIFIC EXCEPTIONS

The Company shall not be liable to pay compensation for Death, Disability or Medical Expenses in respect of such person:

- a. while he/she is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- b. by his/her suicide, attempted suicide or intentional self-injury;
- c. caused solely by an existing physical defect or other infirmity of such person;
- d. as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself/herself) or as a result of such person’s driving a motor vehicle whilst his/her blood alcohol percentage exceeds the statutory limit at the time of the occurrence;
- e. as a result of his/her participation in any riot or civil commotion;
- f. as a result of insanity, any form of neurosis, acquired immune deficiency syndrome (AIDS), venereal disease, any physical defect or weakness, malignant disease of the mammary glands, pregnancy, childbirth, abortion or miscarriage, or any, complication or sequel thereof;
- g. while he/she is, or as a result of his/her engaging in:
 - i. motor cycling (whether as a driver or passenger) other than on the business of the Insured;
 - ii. racing of any kind involving the use of any power driven:
 - a. vehicle;
 - b. vessel;
 - c. craft;
 - iii. mountaineering necessitating the use of ropes or a guide, winter sports involving snow or ice, polo on horseback, steeple chasing, professional football, hang-gliding, parachuting, skydiving, bungee jumping, wrestling, boxing, scuba diving, waterskiing or martial arts;
- h. by his/her involvement or participation in any defense force and/or armed forces training, service, exercises or operations except peace
- i. as the result of an accident attributable to such person’s serious and willful misconduct;
- j. whilst such person is using or as a result of such person’s use of woodworking machinery other than as a domestic hobby;
- k. whilst such person is engaged in, or as a result of such person engaging in mining, shaft sinking, underground mining operations, or the manufacture or use of explosives.

EXTENSIONS

1. Exposure

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

2. Disappearance

In the event of the disappearance of any such person in circumstances which satisfy the Company that he/she has sustained injury to which this Section applies, and that such injury has resulted in the death of such person, the Company will, for the purposes of the insurance afforded by this Section, presume his/her death provided that if, after

the Company shall have made payment hereunder in respect of such person's presumed death, he/she is found to be alive, such payment shall forthwith be refunded by the Insured to the Company.

3. Life Support

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

4. Repatriation

The Company will pay, in addition to the compensation payable for Death, reasonable and necessary expenses for the repatriation of such person's body to his/her normal place of residence up to an amount not exceeding R8 000 (five thousand rand).

5. Trauma

In the event of an insured person being subjected to an act of violence or a traumatic accident, the Company will reimburse counseling fees actually incurred by such person as a result of the act of violence or traumatic accident: Provided that:

- a. the maximum amount payable by the Company will be R500 (five hundred rand) per visit and R10 000 (ten thousand rand) per insured person and R100 000 (one hundred thousand rand) per policy in any one 12 (twelve) month period of insurance;
- b. the act of violence shall mean an assault, robbery, rape or armed car hijack;
- c. for the purpose of this Extension only, Insured person shall include immediate family members of such insured person, who are subjected to the same incident or occurrence of violence or traumatic accident as the Insured person;
- d. the act of violence has been reported to the police and a case number obtained.

6. Funeral Expenses

In the event of an accident giving rise to a Death claim the Company will pay to such person's estate R10 000 (ten thousand rand) as a contribution to funeral expenses.

7. Passive war cover (if stated in the Schedule to be included)

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

8. 24 Hour cover (if stated in the Schedule to be included)

In consideration of the payment of an additional premium the words "arising from and in the course of his/her employment in the business" stated in the Defined Events of this Section are cancelled.

9. Mobility

In the event of the Company admitting a claim in terms of Compensation B – Permanent Disability, as a direct result of the disability such person is permanently dependent on a wheelchair for mobility, the Company will, in addition to any amount payable for Permanent Disability, compensate for:

- a. a self-propelled wheelchair and/or;
- b. the modification of the controls to such person's motor vehicle and/or;
- c. if necessary, the fitting of wheelchair loading equipment to such person's private vehicle and/or;
- d. alterations to such person's private residence to facilitate the use of such wheelchair up to an amount not exceeding R20 000 (twenty thousand rand) any one occurrence.

the amount on page 103 is the maximum amount payable any one occurrence will apply notwithstanding General Condition 7(g) Limit of Liability.

10. Double compensation

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

Provided that:

- a. such person has selected cover for A, B and C of this Section and the compensation for C is at least 1% (one per cent) of A – Death;
- b. there is a surviving minor child who is entirely dependent on such person or such person's spouse;
- c. such person and such person's spouse and child were at the time of the accident all members of the same household;
- d. the maximum amount payable in respect of double compensation shall be limited to R100 000 (one hundred thousand rand).

11. Farm Murders

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

Provided that:

- a. the maximum additional amount payable in respect of death of any one such person in terms of this Extension will not exceed R75 000 (seventy-five thousand rand);
- b. cover in terms of this Extension will be limited to murder which took place on property occupied for farming purposes, the property of, or occupied as tenant or utilized by such person or such person's spouse;
- c. insurance cover on at least 5 (five) Sections of this Policy shall be in force which must include the following Sections:
 - i. Fire;
 - ii. Householders;
 - iii. Motor;
 - iv. Public Liability;
 - v. Group Personal Accident.
- d. for the purposes of this Extension the term "such person" will be limited to the Insured(s) and his/her/their spouse(s) only in the capacity as owner(s), co-owner(s) or tenant(s) of the property occupied for farming purposes;
- e. the amount payable in terms of this Extension will be payable in addition to compensation for Death stated in the Schedule against such person.

SECTION 22: MOTOR VEHICLES

DEFINED EVENTS – SUB SECTION A

Loss of or damage to any vehicle described in the Schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the Company will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the prior consent of the Company to the extent of but not exceeding R10 000 (ten thousand rand) over and above the amount of the First Amount Payable for which the Insured is responsible under this Sub-Section provided that a detailed estimate is first obtained and immediately forwarded to the Company.

The Company will also pay the reasonable cost of delivery to the Insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi or Mozambique.

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

Provided that:

1. The limit of indemnity for each type of vehicle is as stated in the Schedule and shall be the maximum amount payable by the Company in respect of such loss or damage in respect of definition private type motor and LDV, 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. In respect of all other vehicle definitions as described the reasonable market value of the specific vehicle. Furthermore in the event of any part, accessory or fitment needed to replace damage to the vehicle being unprocurable in the Republic of South Africa, Namibia and Botswana as a standard, ready manufactured article, the liability of the Company shall be met by the payment of a sum equaling the value of such part, accessory or equipment at the time of the accident but not in any case exceeding the manufacturer's latest price list as well as import cost for such part, accessory or fitment;

2. The Company may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the reasonable market value of such vehicle and/or its accessories and/or spare parts at the time of such loss or damage;

3. If, to the knowledge of the Company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of such loss or damage;

4. In respect of each and every occurrence giving rise to a claim, except a claim resulting from fire, lightning or explosion, the Insured shall be responsible for the First Amount Payable stated in the Schedule (according to the type of vehicle) of any expenditure, or any lesser expenditure which may be incurred, for which provision is made under this Sub-Section (including any payment in respect of costs, expenses and fees) and of any expenditure by the Company in the exercise of any discretion it may have under this insurance.

If the expenditure incurred by the Company shall include any First Amount Payable for which the Insured is responsible, such amount shall be paid by the Insured to the Company forthwith;

5. In respect of each and every occurrence giving rise to a claim following upon theft or attempted theft of motor radios, CD players and any other equipment of a similar nature or telephones, not supplied by the manufacturer of the vehicle when new and specified as a separate item in the Schedule, the Company will indemnify the Insured up to the amount stated in the Schedule;

Provided that:

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

EXCEPTIONS TO SUB-SECTION A

The Company shall not be liable to pay for:

- a. damage to tyres by application of brakes or by road punctures, cuts or bursts;
- b. damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;
- c. 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;
- d. detention, confiscation or requisition by customs or other officials or authorities.

SUB-SECTION B – LIABILITY TO THIRD PARTIES

DEFINED EVENTS

Any accident caused by or through or in connection with any vehicle described in the Schedule or in connection with the loading and/or unloading of such vehicle in respect of which the Insured and/or any passenger becomes legally liable to pay all sums including claimant's costs and expenses in respect of;

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

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

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

4. indemnify any person who is driving or using such vehicle on the Insured's order or with the Insured's permission;
Provided that:

- a. such person shall, as though he/she were the Insured, observe, fulfill and be subject to the Terms, Exceptions and Conditions of this insurance in so far as they can apply;
- b. such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer;
- c. indemnity shall not apply in respect of claims made by any member of the same household as such person;
- d. such person is not entitled to indemnity under any other Policy except in respect of any amount not recoverable there under;

5. indemnify the Insured or any member of the Insured's household who normally resides with the Insured and who is dependent on the Insured while personally driving or using any private type motor car, light delivery vehicle (LDV) or panel van not belonging to him/her and not leased or hired to him/her under a lease or suspensive sale agreement, provided the insured is an individual and has insured hereunder a vehicle described under Definition (a) or (b) of vehicle; Provided that: the Company shall not be liable for damage to the vehicle being driven or used;

6. indemnify the Insured in respect of liability arising from the towing by a vehicle, other than for reward, of any other vehicle or trailer, including liability in connection with the towed vehicle or trailer; Provided that: the Company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

SPECIFIC EXCEPTIONS TO SUB-SECTION B

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

- a. so much of any compensation or claim as falls within the scope of any Compulsory Motor Vehicle Insurance Enactment. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been 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 (b), (c), (d), (e), (f) or (g) of vehicle, at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of (b) and (g) as defined);

c. liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.

LIMITS OF INDEMNITY

Unless otherwise stated, the liability of the Company under this Sub-Section in respect of any one occurrence shall not exceed the limits of indemnity as stated in the Schedule. Provided that: the limits of indemnity in terms of this Sub-Section as stated in the Schedule is amended to read as follows in respect of a driver of a vehicle with a valid driver's license for a period of validity of 5 (five) years or less: b. R2 500 000; c. R2 500 000.

SUB-SECTION C – MEDICAL EXPENSES

DEFINED EVENTS

If an occupant in the specified part of a vehicle described below, in direct connection with such vehicle, sustains bodily injury by violent, accidental, external and visible means, the Company will pay to the Insured the medical expenses incurred as a result of such injury up to R10 000 (ten thousand rand) per injured occupant but not exceeding R30 000 (thirty thousand Rand) in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event. The amount payable under this Sub-Section shall be reduced by any amount recoverable under any Workmen's Compensation Enactment or similar legislation. The term Medical Expenses includes any costs incurred to free such injured occupant from such vehicle or to bring such injured occupant to a place where medical treatment can be given.

Defined vehicle but only if it is insured under Sub-Section A of this Section	Specified part of vehicle in which the injury must occur
Any private type motor car or motorised caravan including vehicles specifically adapted or designed for the purpose of hunters and game viewing activities and registered in terms of and in compliance with the licensing laws.	Anywhere inside and/or on the vehicle
Any other type of insured vehicle other than a bus or a taxi.	The permanent 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:

- private type motor cars, including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 9 (nine) persons including the driver;
- commercial and light delivery vehicles (LDV's) or panel vans with a carrying capacity not exceeding 2 000 (two thousand) kilograms, vehicles specifically adapted or designed for the purpose of accommodating hunters and game viewing activities, motorised caravans including all permanent fixtures, fittings, equipment, utensils, mattresses (not exceeding the number prescribed by the manufacturer's standard specifications) and side tents and motor cycles as defined in terms of (c) below;
- motorcycles, self-propelled tri-cars, scooters and four-wheel motorcycles;
- buses designed to seat more than 9 (nine) persons, including the driver;

- e. trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a motorized vehicle, motorised lawnmowers and motorised golf carts but excluding any parts or accessories not permanently fitted thereto, non-motorised caravans and pick-a-back caravans including all permanent fixtures, fittings, equipment, utensils, mattresses (not exceeding the number prescribed by the manufacturer's standard specifications) and side tents of such non-motorized caravans and pick-a-back caravans;
- f. special type vehicles as described in the Schedule, excluding irrigation systems on wheels and centre pivots;
- g. agricultural implements, excluding irrigation systems on wheels and centre pivots, any such vehicle being owned by or hired or leased to the Insured, including any such vehicle temporarily operated by the Insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the Company's maximum liability shall not exceed the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the Schedule.

EXTENSIONS

1. Unauthorised Passenger Liability

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

2. Passenger liability (excluding hunting and/or game viewing activities)

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

- a. cover under this Extension will be limited to death of or bodily injury to any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of (b), (f) or (g) as defined; and/or
- b. being carried in or upon or entering or getting onto or alighting from any vehicle insured in terms of this Section and described in Definition 2. (b) and 2. (e) but excluding non-motorised caravans and pick-a-back caravans as defined in Definition 2. (e);
- c. the vehicles referred to in terms of 3. (b) above are fitted with railings on all sides of the loading area.

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

3. Passenger liability employees (if stated in the Schedule to be included)

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

- a. Trucks 40 (forty) passengers;
- b. Light Delivery Vehicles (LDV) 10 (ten) passengers;
- c. Agricultural Trailers 30 (thirty) passengers;

Provided that:

- i. the incident shall take place outside the work context;
- ii. all sides of the loading area shall be provided with rails and;
- iii. the liability of the Company shall not exceed the amount stated in the Schedule in respect of any single event.

4. Contingent liability

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

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

Provided that:

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

5. Credit shortfall

If any total loss settlement under Sub-Section A is less than the amount owing to the financier under a current installment sale or lease agreement, the Company will pay to the Insured an additional amount equal to the shortfall limited to the amount stated in the schedule in respect of credit shortfall up to a maximum of R50 000 (fifty thousand rand) less:

- a. any arrears installments or rentals including interest payable on such arrears;
- b. all refunds of premium for cancellation of any insurance cover relating to the motor vehicle;
- c. the increased installments or rental that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled;
- d. the First Amount Payable under Sub-Section A;

Provided that:

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

6. Loss of Keys and Locks

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 comprehensively insured vehicle, following upon loss of or damage to the lock or key or alarm controller of such vehicle or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller; Provided that:

the Company's liability shall not exceed R10 000 (ten thousand rand) or the amount stated in the schedule whichever is the greater in respect of any one event; The provisions of this Section relating to First Amount Payable shall not apply to this Extension.

7. Loss of farm Tools

The Company shall indemnify the Insured up to R8 000 (eight thousand Rand) for the loss of tools in a comprehensively insured vehicle following the loss of the insured vehicle as a result of theft.

8. Removal and protection costs following mechanical breakdown (applicable to comprehensively insured private motor vehicles and light delivery vehicles only)

The Company will pay the costs of removal and protection in the event of mechanical or electrical breakdown of the vehicle up to an amount of R8 000 (eight thousand rand). This cover is limited to one occurrence in any 12 (twelve) consecutive months of insurance.

9. Emergency accommodation (applicable to private motor vehicles and light delivery vehicles only)

Accommodation for the Insured and/or spouse as well as any passenger whom is travelling with the Insured, in respect of an emergency due to loss or damage to the vehicle, will be paid by the Company up to an amount of R800 (eight hundred rand) per person but not exceeding R5 000 (five thousand rand) per occurrence. This cover applies for one night only away from the Insured's residence if the journey cannot be completed due to loss of or damage to the comprehensively insured vehicle. The loss or damage must be covered under this Section.

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

10. Trauma Treatment

In the event of medical expenses not otherwise covered the Company will pay an amount up to R10 000 (ten thousand rand) per occurrence for trauma treatment by a psychologist if the Insured and/or spouse and any person normally residing with the Insured, need treatment due to hijacking or attempt thereof of a comprehensively insured private motor vehicle or light delivery vehicle.

11. Parking facilities and movement of third-party vehicles

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

- a. with the authority of any tenant, customer or visitor of the Insured; or
- b. in connection with the Insured's parking arrangements; or
- c. to facilitate the carrying out of the Insured's business;
- d. this Extension shall not apply in respect of damage to vehicles which are parked for reward;
- e. for the purpose of this Extension, such vehicle, and its contents, shall not be deemed to be held in trust by, or in the custody or control of, the Insured.

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

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

1. civil commotion, labor 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;

This Extension does not cover:

- a. loss or damage occurring in the Republic of South Africa or Namibia;
- b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- c. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- d. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- e. loss or damage related to or caused by any occurrence referred to in General Exception 1(A) (ii), (iii), (iv), (v) or (vi) of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence. If the Company alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

13. Fire Extinguishing Charges

Any costs, not exceeding R10 000 (ten thousand rand), relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided the Insured is legally liable for such costs and the insured property was in danger from the fire.

14. Wreckage Removal

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a Defined Event, provided that, in addition to the limit of indemnity under Sub-Section A of this Section, the limit of the Company's liability under this Extension shall not exceed, in respect of any one occurrence, the amount of R10 000 (ten thousand rand) or the limit stated in the Schedule whichever is the greater.

15. Bereavement Costs

In the event of an accident in respect of private type motorcars (as defined) and in the passenger carrying

compartment of light delivery vehicles (LDV's) with a carrying capacity not exceeding 2 000 (two thousand) kg resulting in the Insured's and/or the Insured's spouses' death within 3 (three) months the Company will pay to the Insured's estate R10 000 (ten thousand rand) as a contribution to funeral expenses.

16. Replacement of insured vehicle (private type motor cars and light delivery vehicles (LDV's) only)

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

- a. the loss of the vehicle is as a result of theft and if the said vehicle cannot be traced within a reasonable period after the theft thereof has been reported to the Company; or
- b. there is damage to the extent that the cost of repairs exceeds 70% (seventy per cent) of its list price plus taxes when new. The basis of indemnity will be the current cost of a new motor car of the same or similar model subject to a limit of 120% (one hundred and twenty per cent) of the Maximum Indemnity (less the First Amount Payable);

Provided that:

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

17. Irreparable damage to tyres (tractors, combines and agricultural implements)

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

- a. the liability of the Company is limited up to a maximum of R30 000 (thirty thousand rand) per tyre unless the value per tyre which exceeds R30 000 (thirty thousand Rand) is stated in the Schedule;
- b. the Insured shall at his own expense have all damage and wear and tear assessed by one or more reputable retreaders to assess whether a tyre can be repaired or not and what the extent of wear and tear is. The provisions of this Section relating to First Amount Payable shall not apply to this Extension.

18. Combines, grain tables and picker heads

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

19. Spare wheel and tools First Amount Payable cancelled (if stated in the Schedule to be included)

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

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

20. Car Hire

If a comprehensively insured private type motor car or light delivery vehicle (LDV) is damaged following an accident, stolen or hijacked and where such loss or damage is insured, the policy includes 30 days car hire which represents a Group B vehicle after the vehicle has been involved in an accident, stolen or hijacked. Provided that:

The Insured shall be liable for the following charges:

- a. refundable rental deposit of R1 500;
- b. contract fee of R80;
- c. excess all car groups R3 500 up to R7 500 depending on vehicle group;
- d. water and undercarriage damage the full value of damage;
- e. windscreen and tyre waiver of excess if chosen R70 per day;
- f. delivery and collection fee outside 25km radius of supplier branch (after hours, weekends and public holidays) will

- be carried by Central Underwriting;
- g. additional equipment (GPS, baby seat, bike racks, etc.) as per supplier;
- h. 2nd and subsequent additional driver R380 per day;
- i. accident admin fee R780 per incident;
- j. traffic fine and traffic fine admin fee R380 per fine plus the actual fine amount;
- k. toll fees the actual toll fee costs.

21. Hiring of motor vehicle (private type motor cars and light delivery vehicles (LDV's) only) (If stated in the Schedule to be included)

At the payment of an additional premium the Company agrees that in the event of:

- a. theft or hijacking of the comprehensively insured motor vehicle stated in the Schedule; or
- b. damage to the comprehensively insured motor vehicle stated in the Schedule for which indemnity is provided by Sub-Section A, to pay the car hire charges for the hire of a medium category motor car (that is not exceeding 2 000cc engine capacity) on an unlimited distance basis for the use in the Republic of South Africa only but excluding the cost of fuel and lubricants; Provided that:
 - a. the order for the hire of a motor vehicle must first be placed through and authorised by the Company;
 - b. the period of hire:
 - i. must commence not later than 30 (thirty) days following the date of theft or if the motor vehicle is not stolen from the date of the damage;
 - ii. must terminate on the day following:
 - a. the recovery of the stolen motor vehicle undamaged; or
 - b. by the repossession of the motor vehicle by the Insured after repairs approved by the Company have been effected; or
 - c. the purchase of a replacement motor vehicle;
 - iii. will not exceed 30 (thirty) days;
 - a. the Company shall not be liable for any loss of or damage to any private type motor car and/or light delivery vehicle (LDV) which in terms of this Extension is hired by the Insured after loss or damage;
 - b. the Company shall be entitled to any recovery from third parties or their insurers in respect of loss of use of the insured private motor car or light delivery vehicle (LDV).

22. Loss of use of vehicle (tractors and/or combines) (if stated in the Schedule to be included)

At the payment of an additional premium the Company shall indemnify the Insured for the hire of a tractor and/or combine (with driver if necessary) upon proof of an account by the supplier or lessor, but not exceeding the number of days or the amount stated in the Schedule, resulting from the loss of use of a tractor and/or combine stated in the Schedule through or as a result of any peril insured against in this Section which would normally constitute a claim under this Section. It is a condition precedent to the acceptance of liability that in the event of an occurrence which results in a claim under this Section the Company will be given 30 (thirty) days written notice calculated from the date of the accident. The Company is entitled to any recovery from third parties or their insurers in respect of loss of use of the insured tractor and/or combine;

Provided that:

the Company will not be liable for:

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

23. Vehicle Sharing

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

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

24. Waiver of Basic Compulsory First Amount Payable, Theft, Hijacking & Windscreen (private type motor cars, light delivery vehicles (LDV'S) and panel vans only) (if stated in the Schedule to be included)

At the payment of an additional premium the Basic Compulsory First Amount Payable in respect of the basic first amount payable, including windscreen, theft and hijacking per comprehensively insured vehicle as stated in terms of private type motor vehicles & light delivery vehicles only in respect of Sub Section A – Loss or Damage is hereby cancelled. 25. Passenger liability – clients in respect of hunting and/or game viewing activities (if stated in the Schedule to be included) Subject to Specific Exception (a) or Sub-Section B and in consideration of the payment of an additional premium reference to Definitions (b), (c), (e), (f) and (g) in Specific Exception (b) of Sub-Section B is cancelled and the Company will, notwithstanding anything contained herein to the contrary, indemnify the Insured in respect of liability to passengers; Provided that:

- i. the liability of the Company in respect of this Extension shall not exceed the amount stated in the Schedule in respect of any one passenger and in respect of any one claim or series of claims arising out of one event being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of 2.(b) as defined; and/or
- ii. being carried in or upon or entering or getting onto or alighting from any vehicle insured in terms of this Section and described in Definition of Vehicles 2. (b) and 2. (e). The latter only in respect of trailers; Provided that: any vehicle referred to in 25. (ii) above (excluding vehicles specifically adapted or designed for the purpose of accommodating hunters and/or game viewers as defined in Definition Vehicles 2. (b) are fitted with railings on all sides of the loading area. The indemnity limit for any single incident shall not exceed the amount as stated in the Schedule.

26. Waiver of the Compulsory First Amount Payable (individuals older than 55 (fifty-five) Years)

If the Insured (individual) or his/her spouse is older than 55 (fifty five) years of age and the registered owner of a private type motorcar or a light delivery vehicle (LDV) with a carrying capacity not exceeding 2 000 (two thousand) kg, who are involved in an event which may result into a claim under this Section then the Compulsory First Amount Payable will not be applicable; Provided that: for the purposes of this extension, the term individual deemed to include directors, trustees or members if the registered owner of the vehicle a company, a trust or a close corporation.

27. Death of a farm employee as a result of a motor vehicle accident (if stated in the schedule to be included)

At the payment of an additional premium the Company shall indemnify the Insured in respect of the death of an employee being carried in or upon or entering or getting onto or alighting from any vehicle insured in terms of this Section and described in Definition of Vehicles 2.(a), 2.(b) and 2.(e) but excluding non-motorised caravans and pick-a-back caravans as defined in Definition 2.(e); Provided that:

- a. the vehicle is insured for Farming purposes under this Section and being used for farming activities at the time of the accident;
- b. the driver of such vehicle must be fully licensed at all times when in control of the said vehicle;
- c. cover only applies to the vehicle mentioned in the Schedule and the additional premium apply to that vehicle;
- d. at the time of the accident the employee being carried upon a trailer, the trailer being connected to a delivery vehicle, truck or a tractor;
- e. all sides of the loading area of the vehicle are fitted with railings;
- f. the liability of the Company shall be limited to a maximum amount of R60 000 (sixty thousand rand) per employee but not exceeding R1 000 000 (one million rand) for death of all employees as a result of an occurrence or series of occurrences arising out of one event.

28. Vehicle Repatriation Costs

The cover under this Section is extended to include repatriation costs necessarily incurred for the recovery and/or retrieval of the insured vehicle following an insured event within the territorial limits of the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi or Mozambique; Provided that:

the liability of the Company in respect of this Extension shall be limited to a maximum amount of R20 000 (twenty thousand rand) in respect of each and every claim.

29. Electronic Equipment Regarding Precision Farming (tractors, combines and agricultural implements only) (if stated in the schedule to be included)

At the payment of an additional premium the Company shall indemnify the Insured for loss or damage to installed electronic equipment in or on tractors, combines or agricultural implements and specifically specified in the schedule for the use of precision farming purposes:

- Provided that:
- the vehicle in or on which the electronic equipment is installed is insured comprehensively;
 - the electronic equipment is specifically stated next to the comprehensively insured vehicle on the schedule;
 - the liability of the Company is restricted to the amount stated in the schedule against each comprehensively insured item;
 - the liability of the Company shall be limited to R5 000 (five thousand rand) or the amount stated in the schedule in respect of reinstatement of data.

Exception (c) under exceptions to Subsection A – Own damage is cancelled and replaced with the following (c) 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, failures or breakages

30. Unspecified Agricultural Implements (if stated in the schedule to be included)

At the payment of an additional premium the Company shall indemnify the Insured for loss or damage to unspecified agricultural implements whilst attached to a comprehensive insured vehicle specified in the schedule Provided that: the liability of the Company shall not exceed R30 000 (thirty thousand rand) in respect of each and every occurrence;

31. Unspecified Agricultural Implements Attached to a Tractor with a Value above R150 000

The Company shall indemnify the Insured for loss or damage to unspecified agricultural implements whilst attached to a comprehensive insured tractor with a value above R150 000 (one hundred and fifty thousand rand) specified in the schedule Provided that: the liability of the Company shall not exceed R30 000 (thirty thousand rand) in respect of each and every occurrence;

32. Contents of Spraying Equipment

The Company shall indemnify the Insured for loss or destruction of or damage to the contents of the tank of spray equipment belonging to the Insured directly caused by fire, collision and overturning of the comprehensive insured conveyance vehicle specified in the schedule Provided that: the liability of the Company shall not exceed R10 000 (ten thousand rand) in respect of each and every occurrence;

33. Loss of Fuel

The company will pay for loss of fuel from the fuel tank of the comprehensively insured vehicle stated in the schedule as a result of:

- a collision involving the vehicle; or
- theft/hijacking of the vehicle or any attempt thereat accompanied by violence or threat thereat;

Provided that

- the insured shall provide proof of the quantity of fuel contained in the vehicle's fuel tank at the time of loss;
- the Company's liability shall not exceed R1 000 (one thousand rand) at any one occurrence; and
- the insured shall be responsible for the first R250 (two hundred and fifty rand).

The insured shall pay in addition to all other first amounts payable in terms of the original claim.

MEMORANDA**1. Premium Adjustment**

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

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

2. War

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

"This Section does not cover war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war,

mutiny insurrection, rebellion, revolution, military or usurped power”.

3. Description of Use

- a. social use only;
- b. private to and from work;
- c. private and business use travelling to and from the Insured's work and used in connection with the Insured's business or occupation as stated in the Schedule;
- d. full business use;
- e. farming use and/or for social, domestic and pleasure purposes and/or in respect of farmers only for organised territorial watch groups for crime prevention as well as in respect of farmers only for hunting and/or game viewing activities if Stated in the Schedule to be included.

Excluding:

Hiring, carriage of passengers for hire or carriage of fare paying passengers (excluding hunting and/or game viewing activities if stated to be included), racing, speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade.

4. Offences

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

5. Maintenance of Motor Vehicle

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

Provided that:

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

6. Waiver of Subrogation Rights

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

7. Principals

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

8. Cross Liabilities

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

ENDORSEMENTS IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Third party limitation only (if stated in the Schedule to be applicable) Sub-Sections A and C are cancelled.
2. Third party and fire Insurance only (if stated in the Schedule to be applicable)
The liability of the Company under Sub-Section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion.
3. Third party, fire and theft only (if stated in the Schedule to be applicable)
The liability of the Company under Sub-Section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat. Further, Sub-Section C is cancelled.

SPECIFIC EXCEPTIONS APPLICABLE TO ALL SUB-SECTIONS

1. The Company shall not be liable for any accident, injury, loss, damage or liability:
 - a. whilst the vehicle is being used with the general knowledge and consent of the Insured otherwise than in accordance with the "Description of Use" clause;
 - b. incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique. The latter only in respect of private type motorcars (as defined), light delivery vehicles (LDV's) with a carrying capacity not exceeding 2000 (two thousand) kg, motorcycles, caravans and luggage type trailers. The Company will also indemnify the Insured against loss of or damage to any vehicle while in transit by sea, air or between ports or places in these territories including loading and unloading incidental to such transit;
 - c. incurred while any vehicle is being driven by:
 - i. the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or if the Insured refuse to give either a breath or blood sample, as may be required or requested by a law enforcement officer or while not licensed to drive such vehicle or the vehicle is involved in an accident and the driver of the vehicle then unlawfully leaves the scene of the accident;
 - ii. any other person with the general consent of the Insured, who is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicle or the vehicle is involved in an accident and the driver of the vehicle then unlawfully leaves the scene of the accident;
- a. any driver shall be deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under Specific Exception 1(b), or if non-compliance with any licensing law is solely because of failure to renew any license subject to periodic renewal, or if a license is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners;
- b. notwithstanding anything to the contrary contained in Specific Exception 1. (c)(ii) above including the proviso applicable thereto, the driver of any vehicle utilized for any hunting and/or game viewing activities must at all times be fully licensed to drive or control such vehicle.
2. The Company shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.
3. The Company shall not be liable for any accident, injury, loss, damage or liability in respect of a caravan whilst being used as a permanent residence.

SPECIFIC CONDITIONS AND WARRANTIES APPLICABLE TO ALL SUB-SECTIONS

1. Compulsory first amount payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule Specific condition. If, during the currency of this Section, any driver's license in favor of the Insured or his authorized driver is endorsed, suspended or cancelled, or if he shall be charged or convicted of negligent, reckless or improper driving, notification shall be sent in writing to the Company immediately the Insured has knowledge of such fact.

shall be sent in writing to the Company immediately the Insured has knowledge of such fact.

2. Roadworthiness

It is warranted that cover provided by the Motor Section, including all sub sections thereof, is strictly subject to the vehicle/s being used in a condition which complies fully with the provisions and regulations of the National Road Traffic Act 93 of 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 roadway in South Africa or any similar legislation which applies to the countries as stated in the territorial limits in the schedule. If the insured vehicle at the time of any accident giving rise to a claim in terms of this policy:

- a. has not been issued with a properly authorised roadworthy certificate, or a valid Certificate of Fitness, in terms of the Act and/or the regulations which has not been invalidated by way of suspension, cancellation or any other cause; or
- b. is found to be in a state or condition which is deemed not roadworthy (either in terms of the Act, the regulations or any other reasonable basis) then all benefits under this policy shall be forfeited.

Furthermore, to the above-mentioned the Insured warrants that:

- a. all heavy commercial vehicles are fitted with a serviceable fire extinguisher;
- b. the vehicles will not carry any load exceeding the capacity or weight, which is legally permissible for vehicles of that type in accordance with current legislation

3. Driver license – public roads
It is warranted that 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.

- a. all vehicle drivers are in possession of a valid driver's license for the vehicle which is being driven;
- b. all vehicle drivers are in possession of a valid Public Drivers Permit (PDP) or any other associated documentation as legally required in respect of the type of vehicle being driven;
- c. furthermore, the Insured warrants that, all driver's documentation whether Foreign or South African has been officially validated by the relevant governing authority. The onus of proof shall rest with the Insured at claims stage;
- d. in the event that the Company (Insurer) is presented with any fraudulent driver's license or associated documentation, the related claim will be rejected;
- e. in the event that the Company (Insurer) cannot validate a license, the Insured shall bear the onus of proof and must provide adequate documentation of authenticity and validity as the Company (Insurer) may require.

4. Claims reporting procedure, truck and mechanical horses' trailers & interlinks.

It is hereby agreed that it is a condition precedent to the Companies liability that in the event of a claim the Insured act as follows:

- a. Theft and hijacking: In the case of a theft or hijacking and as soon as the occurrence is known, the Company must be notified as soon as possible, but not later than TWO WORKING DAYS after the occurrence;
- b. Serious accident: In case of a serious accident where the damage to the insured vehicle is likely to exceed R200 000 (two hundred thousand rand) and/or more than one third party is involved in the event, IMMEDIATE NOTIFICATION must be given to the Company;
- c. Take all reasonable steps to recover the stolen property and to discover the guilty party;
- d. Advise the Company of any claim (other than theft, hijack or a claim from a third party) as soon as possible from the time of the occurrence that may lead to a claim, but not later than TEN WORKING DAYS after the occurrence;
- e. Inform the police as soon as possible and in any event not later than 24 (twenty-four) hours following the accident or theft of property;
- f. Complete a claim form as soon as possible and provide the Company with all material information as requested. The Company (Insurer) will be under no obligation to proceed with a claim if the Insured do not provide the required information in full;
- g. Provide the Company with material proof, information, sworn declarations and any other documentation the Company (Insurer) may require as soon as practically possible;

Provided that

- h. Provide the Company with the particulars of any other insurance that covers the same events as any section of the Insured's policy;
- i. Immediately forward to the Company any notice of a claim, communication, writ, summons or other legal process issued or commenced against the Insured in connection with the occurrence. Section 23: Machinery breakdown

DEFINED EVENTS

Any unforeseen and sudden physical damage to the machinery described in the Schedule within the Insured's premises from any cause whilst it is:

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

BASIS OF INDEMNITY

1. If the damage can be repaired the Company will pay the cost of restoration to working order based on the customary daily rates of wages in the district and normal freight, erection and custom dues;
2. If the insured item is totally destroyed the Company will pay the market value of the item immediately before the accident and the cost of removing the damaged machinery less the value of the remains. The insured item shall be regarded as totally destroyed if the repair costs as defined in 1. above equal or exceed its market value immediately before the accident;
3. The Company may at its option repair, reinstate or replace any damaged machinery or pay the amount of the damage in cash.

SPECIFIC CONDITIONS

1. Insured Value

The sum insured for each item of machinery specified in the Schedule must be equal to the installed new replacement value at all times.

2. Underinsurance

If at the time of the damage the sum insured is lower than the installed new replacement value, then the Insured will be considered to be his/her own insurer for the difference and will bear a rateable share of the loss accordingly. Every item of machinery will be separately subject to this Condition.

3. Alterations to working conditions

Notice of any intended alteration to or departure from normal working conditions which would affect the risk of damage to the machinery specified in the Schedule must be given to the Company. If the Company cannot approve the alteration or departure from normal working conditions the Company may cancel the insurance in respect of the machinery concerned making an appropriate return of premium.

4. Access

The Insured shall allow the authorised representatives of the Company to examine the insured machinery at any reasonable time. If during the inspection any new facts of a nature likely to render the risk more than usually hazardous are observed the Insured must at the request of the Company restore the risk to normal within a reasonable time failing which the Company may suspend cover in whole or in part until the risk is restored to normal.

5. Claims

On the happening of an event giving rise or likely to give rise to a claim the Insured:

- a. shall exercise all means in his power to salvage the insured items and ensure their preservation;
- b. may proceed with the repair of the machinery;

Provided that:

- a. he complies with 5 (a) above;
- b. the carrying out of the repair is without prejudice to any question of liability;
- c. any damaged part requiring replacement is kept for inspection by the Company.

6. Maintenance Contract

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

- a. all machinery insured under this policy are subject to a maintenance contract where all machinery is serviced at a 6 (six) month interval;
- b. proper written records must be kept of all services and;
- c. records must be supplied to the Company on request SPECIFIC EXCEPTIONS

A. IRRESPECTIVE OF THE ORIGINAL CAUSE THE COMPANY WILL NOT PAY FOR:

1. First Amount Payable:

The amount specified in the Schedule as the First Amount Payable for each and every occurrence;

2. Damage due to:

- a. Fire, lightning, explosion: fire extinguishing of a fire, direct lightning strikes, explosion;
- b. Theft, collapse etc.: theft, collapse of buildings, impact by animals, vehicles, aircraft, other aerial devices or objects dropped there from, sonic shock waves;
- c. Water which escapes from water containing apparatus including leakage or discharge from any sprinkler or drencher system;
- d. Subsidence and landslide subsidence and landslide, storm, flood, inundation, hail, snow, earthquake, volcanic eruption or other convulsions of nature or any subsequent dismantling;

3. Experiments

Damage resulting from experiments, overloads or tests requiring the imposition of abnormal conditions;

4. Tools

Damage due to the misapplication of tools;

5. Wastage Wearing Away

Wastage of material or the like or wearing away or wearing out of any part of the machinery caused by or naturally resulting from ordinary usage or working or other gradual deterioration;

6. Expendable Parts

Expendable parts and tools such as (but not limited to) bits, cutters, knives, saw blades, dies, pattern rollers, sieves, chains, belts, ropes, conveyor bands, jointing and packing material. If these parts or tools are damaged as a result of an accident to other parts of the machinery insured as provided for by this insurance the Company shall indemnify the Insured for the residual value of such parts or tools;

7. Express Delivery and Overtime

Extra charges for express delivery, overtime, Sunday and holiday rates of wages unless specially provided for herein;

8. Damaged Parts

The value of damaged parts which can be used in any way whatsoever;

9. Alterations Additions

Costs of alterations, additions, improvements and overhauls carried out on the occasion of a repair;

10. Temporary Repairs

Temporary repairs and any consequences arising there from unless the Company has authorised the temporary repairs.

B. FOUNDATIONS, MASONRY OR REFRACTORY MATERIALS

The machinery described in the Schedule does not include any foundations, masonry or refractory materials unless specifically mentioned.

C. PARTIAL DAMAGE

Where damage is restricted to a part or parts of an insured item the Company will not be liable to pay a greater amount than the value of the part or parts allowed for in the sum insured plus dismantling, re-erection and freight expenses..

SECTION 24: LOSS OF PROFITS MACHINERY BREAKDOWN

DEFINED EVENTS

If during the period of insurance any of the machinery used by the insured at the premises for the purpose of the business is affected by an accident and the business carried on by the insured at the premises is in consequence thereof interrupted or interfered with, the Company will pay to the insured the amount of the loss resulting from the aforesaid interruption or interference in accordance with the provisions contained in the schedule of this section; Provided that: payment shall have been made or liability admitted for accident under the Machinery Breakdown Section.

DEFINITIONS

1. Accident

Any unforeseen and sudden physical loss of or damage to the machinery and plant necessitating its immediate repair or replacement due to causes such as defects in casting and material, faulty design, faults at workshop or in erection, bad workmanship, lack of skill, carelessness, malice, shortage of water in boilers, physical explosion, tearing apart on account of centrifugal force, short circuit, storm, or any other cause not specifically excluded in terms of any exception, which is applicable to this policy as a whole or to this section in particular, whilst such machinery and plant are:

- a. working or at rest;
- b. being dismantled, moved, or re-erected for the purpose of cleaning, inspection, repair or installation at another location within the premises, provided such machinery and plant have successfully completed their acceptance tests.

2. The Premise

All premises owned, used or occupied by the Insured for the purposes of the business.

3. Business

The insured's business as stated in the schedule of this section.

4. Gross profit (difference basis) insured under item 1 of Schedule I

The amount by which the sum of the turnover and closing stock exceeds the sum of the opening stock and the uninsured working expenses specified in Schedule I.

5. Gross profit (specified standing charges basis) insured under item 2 of Schedule I

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

6. Gross profit (all standing charges basis) insured under item 3 of Schedule I

The sum produced by adding to the net profit the amount of all the standing charges of the business or if there are no net profits the amount of all the standing charges less the amount of any net trading loss. For the purpose of this insurance depreciation of buildings, plant machinery (other than machinery damaged in the accident) fixtures and fittings shall inter alia be deemed to be standing charges.

7. Net Profit

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

8. 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.

9. Indemnity Period

The period during which the results of the business are affected in consequence of the accident beginning the number of hours/days stated in Column C of Schedule II after the occurrence of the accident and ending not later than the expiry of the period shown in Column D of Schedule II after the occurrence.

10. 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.

11. Annual Revenue

The revenue during the 12 (twelve) months immediately before the date of the accident, to which such adjustments will be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the accident or which would have affected the business had the damage not occurred so that the figure thus adjusted will represent as nearly as may be reasonably practicable the results which but for the accident would have been obtained during the relative period after the accident

12. Standard Revenue

The revenue during the period corresponding with the indemnity period in the 12 (twelve) months immediately before the date of the accident, to which such adjustments will be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the accident or which would have affected the business had the damage not occurred so that the figure thus adjusted will represent as nearly as may be reasonably practicable the results which but for the accident would have been obtained during the relative period after the accident.

13. Rate of Gross Profit

The rate of gross profit to turnover during the financial year immediately before the date of the accident, to which such adjustments will be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the accident or which would have affected the business had the damage not occurred so that the figure thus adjusted will represent as nearly as may be reasonably practicable the results which but for the accident would have been obtained during the relative period after the accident.

14. Rate of Wages

The rate of wages to turnover during the financial year immediately before the date of the accident, to which such adjustments will be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the accident or which would have affected the business had the damage not occurred so that the figure thus adjusted will represent as nearly as may be reasonably practicable the results which but for the accident would have been obtained during the relative period after the accident.

15. Annual Turnover

The turnover during the 12 (twelve) months immediately before the date of the accident, to which such adjustments will be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the accident or which would have affected the business had the damage not occurred so that the figure thus adjusted will represent as nearly as may be reasonably practicable the results which but for the accident would have been obtained during the relative period after the accident.

16. Standard Turnover

The turnover during the period corresponding with the indemnity period in the 12 (twelve) months immediately before the date of the accident, to which such adjustments will be made as may be necessary to provide for the trend of the business and for variations in or other circumstances affecting the business either before or after the accident or which would have affected the business had the damage not occurred so that the figure thus adjusted will represent as nearly as may be reasonably practicable the results which but for the accident would have been obtained during the relative period after the accident.

17. Shortage in Turnover

The amount by which the turnover during the specified portion of the indemnity period shall in consequence of the accident fall short of that part of the standard turnover which relates thereto.

SPECIFIC EXCEPTIONS

This section does not cover any loss or claim resulting from interruption of or interference with the business directly or indirectly attributable to any of the following causes:

1. Loss or Damage to:

- a. foundations and masonry, unless specifically included and described in the list under the heading List of machinery and plant in the schedule of this section;
- b. exchangeable and replaceable parts such as bits, drills, knives and saw blades;
- c. dies, moulds, patterns, blocks, stamps, punches, coatings or engravings on cylinders and rolls;
- d. parts which by their use and/or nature suffer a high rate of wear or depreciation such as crushing surfaces, balls, hammers, screens and sieves, engraved soft metal cylinders, wear plates, elevator and conveyor belts or bands, chains, flexible pipes, jointing and packing materials, filter cloths, parts made of glass, rubber, textile or synthetics, grinding wheels, ropes, belts, straps, cables other than electrical conductors, brushes, batteries, tyres, refractory materials, grate bars and burner jets;
- e. operating media such as fuels, chemicals, catalysts, filter substances, heat transfer media, cleansing agents and lubricants.

2. Loss or Damage Due to:

Fire, direct lightning, chemical explosion (except flue gas explosions in boilers), extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped there from, burglary or theft or attempts thereat, collapse of buildings, floods, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes.

3. Responsibility of Supplier/ Contractor

Loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract..

4. Loss due to Faults/ Defects

Loss or damage due to any faults or defects existing at the time of commencement of this section within the knowledge of the Insured or his representatives, whether such faults or defects were known to the Company or not.

5. Repair or replacement necessitated by direct damage

Due to wear and tear, corrosion, erosion, deposits of scale sludge or other sediment, rust, or by scratching of painted or polished surfaces, or by any other direct consequences or progressive or continuous influences from working or atmospheric or chemical action, but the Company shall be liable for any loss resulting from interruption or interference caused by damage arising from such causes and otherwise insured by this section.

6. Loss or Damage due to the Imposition

Of abnormal conditions directly or indirectly resulting from testing, intentional overloading or experiments.

7. Shortage, Destruction, Deterioration of or Damage

To raw materials, semi-finished or finished products or other materials required for proper operation, even if the consequence of material damage to an item described in the list under the heading List of machinery and plant in the schedule of this section is involved.

8. Any restrictions on reconstruction or operation imposed by any public authority.

9. The Insured not having at their disposal in good time sufficient capital for repairing or replacing destroyed or damaged machinery.

10. Loss of or damage to Machinery

Mechanical installations and their additional installations or other items which are not described in the list under the heading "List of machinery and plant" in the schedule of this section, even if the consequence of material damage to an item described in the aforesaid list is involved.

11. Loss of business due to Causes

Such as suspension, lapse or cancellation of a lease, license or order et cetera that occurs after the date when the machinery and plant affected by an accident are again in operating condition and the business could have been resumed if the aforesaid lease, license or order et cetera had not been suspended, lapsed or cancelled. If the Company alleges that by reason of any of the provisions of specific exceptions (3) and (4) above, any loss or claim is not covered by this section the burden of proving the contrary shall rest on the Insured.

SPECIFIC CONDITIONS

1. It is a condition precedent to liability of the Company that due observance and fulfilment of the terms of this section and of this policy insofar as they relate to anything to be done or complied with by the Insured.
2.
 - a. Representatives of the Company shall at any reasonable time have the right to inspect and examine the risk and the Insured shall provide the representatives of the Company with all details and information necessary for the assessment of the risk.
 - b. The Insured shall as soon as possible notify the Company in writing of any material change in the risk and cause at their own expense such additional precautions to be taken as circumstances may require, and the scope of cover and/or premium shall, if necessary, be adjusted accordingly.
3. If at any time after the commencement of this section:
 - a. the business is wound up or carried on by a liquidator, receiver, trustee or judicial manager or is permanently discontinued;
 - b. the Insured's interest ceases other than by death;
 - c. any alteration is made or admitted by the insured whereby the risk of accident is increased;
 - d. the retention of standby or spare machinery or any other loss-minimising factors in existence when the insurance under this section was effected, is reduced or discontinued or such standby or spare machinery is not maintained in an efficient working condition and available for immediate use, then the insurance under this section shall, notwithstanding anything to the contrary contained in General Condition 1 of this policy, cease unless and until the continuance of the insurance under this section is confirmed in writing by the Company.
4. The Insured shall exercise all reasonable care in the selection of employment and supervision of all employees and in the prevention of any loss or damage and in compliance with any statutory regulations and manufacturer's recommendations. The stipulations of this Specific Condition (4) are applicable in addition to the stipulations of General Condition 4 of this policy.
5. The Insured shall be obliged to keep complete records. All records, for example inventories, production and balance sheets for the three preceding years shall be held in safe-keeping or as a precaution against their being simultaneously destroyed the Insured shall keep separate sets of such records.
6. On the happening of any occurrence that may result in a claim under this section the Insured shall:
 - a. immediately notify the insurer by telephone or telegram of the aforesaid occurrence and send the Company written confirmation thereof within 48 (forty-eight) hours after the aforesaid occurrence;
 - b. do and concur in doing and permit to be done all such things as may be reasonably practicable to minimise or establish the extent of any interruption of or interference with the business or to avoid or diminish the loss resulting there from;
 - c. as far as may be reasonably practicable without causing any increase in the period of interruption or interference with the business take precautions to preserve any things that might prove necessary or useful by way of evidence in connection with any claim;
 - d. discontinue the use of any damaged machinery and plant unless the insurer authorised otherwise, and the Company shall not be liable in respect of any further interruption or interference with the business arising out of the continued use of any damaged machinery and plant without the Company having giving its consent to such use until the aforesaid machinery and plant have been repaired to the satisfaction of the Company.
7. In the event of a claim being made under this section the insured shall at the Insured's own expense within 30 (thirty) days after the expiry of the indemnity period or within such further time as the insurer may in writing allow submit to the Company a written statement setting forth full particulars of the insured's claim together with details of all other insurances covering the accident or any part of it or consequential loss of any kind whatsoever resulting there from. The Insured shall at their own expense also produce and furnish to the insurer such books of account and other business books, documents, proof, information, explanation and other evidence as may be reasonably required by the Company for the purpose of investigating or verifying the claim, together with, if required, a statutory declaration regarding the truth of the claim and of any matters connected with the claim.
8. If at the time of any accident resulting in a loss insured against under this section there be any other insurance effected by or on behalf of the Insured covering the same loss or any part thereof the Company shall not be liable to

pay or contribute more than its rateable proportion of any sum payable in respect of the whole of such loss; Provided that: the Company shall not be liable to pay for or contribute to any loss that is insured by or would but for the existence of this section be insured by any business interruption or loss of profits or consequential loss policy or policies covering marine risks or fire and/or explosion risks.

9. The total amount of the indemnity that is provided under this section shall be payable 2 (two) weeks after the final determination of such amount. If after the expiry of 1 (one) month since the beginning of an interruption of or interference with the business and after the expiry of each further month it is possible to determine the minimum amount that the Company is liable to pay in respect of the then elapsed period of the aforesaid interruption or interference the Insured shall be entitled to demand that the aforesaid minimum amount be paid to the Insured as an instalment in respect of the total amount of the indemnity

that is provided under this section;

Provided that:

a. the Company shall be entitled to postpone any payment:

- i. if there is any doubt as to the Insured's right to receive payment until the necessary proof is furnished;
- ii. if, as a result of any physical loss or damage or any interruption of or interference with the business any police or penal investigation has been initiated against the Insured, until the completion of such investigations;

b. the Company shall not be liable to pay interest other than interest for default.

10. In the event of an accident to any machinery and plant that may result in a claim under this section the Company shall have the right to take over and control all necessary repairs or replacements.

11. On the happening of any occurrence in respect of which a claim is or may be made under this section the Company and every person authorised by the Company may without thereby incurring any liability and without diminishing the right of the Company to rely upon any other conditions of this policy enter any building where the loss has happened and may take possession of or require that any of the machinery and plant be surrendered to them and may keep possession of and deal with such machinery and plant for all reasonable purposes and in any reasonable manner. This condition shall be evidence of the leave and license of the Insured to the Company so to do.

If the Insured or anyone acting on their behalf does not comply with the requirements of the Company or hinders or obstructs the Company during the aforementioned acts, then all benefit under this section shall be forfeited.

LOSS SETTLEMENT

1. Gross Profit (difference basis)

The insurance under item 1 of Schedule I is limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable hereunder will be: the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover.

b. For increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing a reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided less any sum saved during the indemnity period for such charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the accident;

Provided that:

if the sum insured by this item is less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

2. Gross Profit (specified standing charges basis)

The insurance under item 2 of Schedule I is limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity there under will be:

a. For reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover.

b. For increase in cost of working the additional expenditure (subject to proviso 2(d)) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would

have taken place during the indemnity period in consequence of the accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided less any sum saved during the indemnity period for such of the insured standing charges as may cease or be reduced in consequence of the accident;

Provided that:

- a. if the sum insured by this item is less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced;
- b. if any standing charges of the business are not insured only such proportion of the additional expenditure as the sum of the net profit and the insured standing charges bears to the sum of the net profit and all standing charges shall be brought into account when calculating the amount recoverable hereunder.

3. Gross profit (all standing charges basis)

The insurance under item 3 of Schedule I is limited to the gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity there under shall be:

- a. For reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the accident fall short of the standard turnover
- b. For increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided less any sum saved during the indemnity period in respect of any standing charges which may cease or be reduced in consequence of the accident;

Provided that:

if the sum insured by this item be less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

4. Revenue

The insurance under item 4 of Schedule I is limited to loss due to reduction in revenue and increase in cost of working and the amount payable as indemnity hereunder will be:

- a. For reduction in revenue the amount by which the revenue during the indemnity period shall in consequence of the accident fall short of the standard revenue.
- b. For increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in revenue which but for that expenditure would have taken place during the indemnity period in consequence of the accident but not exceeding the amount of the reduction thereby avoided less any sum saved during the indemnity period for such charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the accident;

Provided that:

If the sum insured by this item is less than the annual revenue (proportionately increased where the indemnity period exceeds 12 (twelve) months) the amount payable will be proportionately reduced.

5. Wages (dual basis)

The insurance under item 5 of Schedule I is limited to loss in respect of wages and the amount payable there under will be:

- a. For reduction in turnover
 - i. during the portion of the indemnity period beginning with the number of hours/days stated in Column C of Schedule II after the occurrence of the accident and ending not later thereafter than the specified number of weeks in Schedule I – the sum produced by applying the rate of wages to the shortage in turnover less any saving through reduction in the amount of wages paid in consequence of the accident;
 - ii. during the remaining portion of the indemnity period – the sum produced by applying the rate of wages to the shortage in turnover less any saving through reduction in consequence of the accident in the amount of wages paid but not exceeding the sum produced by applying the specified percentage of the rate of wages to the shortage in turnover increased by such amount as is deducted for savings in terms of paragraph 5(a)(i) above.

Note: At the option of the Insured the provisions of paragraph 5(a)(i) may apply for the specified extended period

provided that the amount arrived at under the provisions of 5(b)(ii) shall then not exceed the amount deducted under paragraph 5(a)(i) for savings effected during the said extended period.

b. For increase in cost of working So much of the additional expenditure described in paragraph 1(b) or 2(b) or 3(b) of items 1 or 2 or 3 of Schedule I as exceeds the amount payable there under but not more than the additional amount which would have been payable for reduction in turnover under the provisions of paragraphs 5(a)(i) and 5(a)(ii) of this item had such expenditure not been incurred; Provided that:

if the sum insured by this item is less than the sum produced by applying the rate of wages to the annual turnover (proportionately increased where the indemnity period exceeds 12 (twelve) months the amount payable will be proportionately reduced.

c. Wages (number of weeks basis) The insurance by item 6 of Schedule I is limited to the loss incurred by the Insured by the payment of wages for a period beginning with the number of weeks/days stated in Column C of Schedule II after the occurrence of the accident and ending not later thereafter than the number of weeks specified in Schedule I. The amount payable as indemnity under this item will be the actual amount which the Insured shall pay as wages for such period to employees whose services cannot in consequence of the accident be utilised by the Insured at all and an equitable part of the wages paid for such period to employees whose services cannot in consequence of the accident be utilised by the Insured to the full; Provided that:

if the sum insured by this item is less than the aggregate amount of wages that would have been paid during the specified number of weeks immediately following the accident had the accident not occurred the amount payable will be proportionately reduced.

d. Additional expenditure, the insurance under item no. 7 of Schedule I is limited to additional expenditure, in excess of that recoverable under other items, necessarily and reasonably incurred by the Insured in consequence of the accident in order to minimise interruption of or interference with the business during the indemnity period.

e. Other premises, if during the indemnity period goods shall be sold or services shall be rendered or revenue earned elsewhere than at the premises for the benefit of the business either by the Insured or by others on his/her behalf the money paid or payable or revenue earned in respect of such sales or services shall be brought into account in arriving at the turnover or revenue during the indemnity period.

CLAUSES IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Branches/Departments

If the business be conducted in branches/departments the independent trading results of which are ascertainable the provisions of paragraphs 1(a), 1(b), 2(a), 2(b), 3(a), 3(b), 4(a), 4(b), 5(a) and 5(b) will apply separately to each department/branch whose results are affected by the accident;

Provided that:

whether the results are affected by the accident or not if the respective sums insured are less than the aggregate of the sums produced by applying the rate of gross profit revenue or the rate of wages as the case may be for each branch/department of the business to the relative annual turnover thereof or increased proportionately where the indemnity period exceeds 12 (twelve) months the amount payable will be proportionately reduced.

2. Accumulation of Stocks

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

3. Alternative basis of Loss Settlement

The term "output" may be substituted for the term "turnover" and for the purpose of this insurance "output" shall mean "the sale value of goods manufactured by the Insured in the course of the business at the premises";

Provided that:

- a. only one such meaning shall be operative in connection with any accident;
- b. if the meaning set out above be adopted:
 - i. clause (2) shall be of no effect;
 - ii. point 5(e) under the heading "Basis of Loss Settlement" shall read as follows:

“if during the indemnity period goods shall be manufactured or services rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his/her behalf the sale value of goods so manufactured or services rendered shall be brought into account in arriving at the output during the indemnity period”.

4. Auditor/Accountant

Any particulars or details contained in the Insured's books of account or other business books or documents which may be required by the Company for the purpose of investigating or verifying any claims under this insurance may be produced and certified by the Insured's own auditors and/or and accountants their certificate will be prima facie evidence of the particulars and details to which such certificate relates.

5. New Business

For the purpose of assessing any loss sustained as the result of an accident occurring before the completion of the first year's trading the terms “annual turnover”, “standard turnover”, “annual revenue”, “rate of gross profit”, “rate of wages” and “standard revenue” shall bear the following meanings:

- a. Rate of gross profit**– The rate of gross profit earned on the turnover during the 3 (three) months immediately before the date of the accident.
- b. Rate of wages**– The rate of wages to turnover during the 3 (three) months immediately before the date of the accident.
- c. Annual turnover**– Twelve times the average monthly turnover for the 3 (three) months immediately before the date of the accident.
- d. Standard turnover**– The turnover which would have been achieved during the indemnity period if the average turnover during the 3 (three) months immediately before the date of the accident had been maintained.
- e. Annual revenue**– The average revenue earned during the 3 (three) months immediately before the date of the accident.
- f. Standard revenue**– The revenue which would have been earned during the indemnity period if the average revenue during the 3 (three) months immediately before the date of the accident had been maintained.

6. Deposit Premium

In consideration of the premium for items 1, 2, 3, 4 and/or 5 of Schedule I being provisional because they are calculated on 75% (seventy five per cent) of the sum(s) insured thereby the premium is subject to adjustment on expiry of each period of insurance as follows: If the gross profit or revenue earned or wages paid (proportionately increased if the indemnity period exceeds 12 (twelve months) during the financial year most nearly concurrent with any period of insurance is less or greater than 75% (seventy five per cent) of the sum insured thereon a pro rata return or additional premium not exceeding 33-1/3% (thirty three and a third per cent) of the provisional premium paid for such period of insurance will be made for the difference.

7. Premium Rebate

- a. If the gross profit and/or revenue earned and/or wages paid as insured by item 5 of Schedule I, all proportionately increased if the indemnity period exceeds 12 (twelve) months during the financial year most nearly concurrent with any period of insurance is less than the respective sums insured thereon a pro rata return of premium not exceeding 50% (fifty per cent) of the premium paid on such sums insured for such period of insurance will be made for the difference; Provided that:
if any claim shall have arisen under these items such return will be made in respect only of so much of the difference as is not due to such claim.
- b. If the specified number of 52nd parts of the wages paid as insured by item 6 of Schedule I during the financial year most nearly concurrent with any period of insurance is less than the sum insured thereon a pro rata return of premium not exceeding 50% (fifty per cent) of the premium paid on such sum insured for such period of insurance will be made for the difference; Provided that: if any claim shall have arisen under this item no return of premium will be made.

SECTION 25: DETERIORATION OF STOCK FOLLOWING MACHINERY BREAKDOWN

DEFINED EVENTS

This insurance is in respect of:

1. Fortuitous damage to the products and/or refrigeration chambers
2. Increase in the cost of working and the amount payable as indemnity shall be:
 - a. In respect of fortuitous damage to the products and/or refrigeration chambers Insured:

The value of the insured products and/or refrigeration chambers affected as a direct consequence of the accident but not exceeding the limit of indemnity stated in the Schedule
 - b. In respect of increase in the cost of working: The additional expenditure necessarily and reasonably incurred as a direct consequence of the accident, including costs incurred in obtaining alternative storage facilities for the insured products wholly and exclusively incurred for the purpose of preventing or minimising damage to the insured products but not exceeding the amount that would otherwise have been indemnifiable under Clause (a) above;

Provided that:

- a. other than in the case of the accidental escape of refrigerant, accident shall cause a fluctuation in temperature in the refrigeration chambers
- b. the Company shall have the benefit of any saving in expenditure as a result of the Accident.

DEFINITIONS

Damage

Except in Clause "I" of the definition of accident the word "damage" wherever it appears in this section shall mean:

- i. in respect of the insured products "Destruction or impairment in value of the insured products by deterioration or contamination or putrefaction or spoilage"
- ii. in respect of the insured refrigeration chamber(s) "Contamination by refrigerant necessitating the evacuation of the refrigeration chamber(s)". If stated in the Schedule to be covered.

Accident

1. Unforeseen and sudden physical damage to the machinery described in the Schedule of this Section from any cause provided for under Machinery Breakdown Section issued by the Company's liability under which Section shall except for the Provision of the Specific Exception relating to the deductible amount be a condition precedent to liability hereunder
2. Failure of the public supply of electricity at the terminal ends of the Supply Authority's service feeders in the Insured's premises from any accidental cause other than:
 - a. the deliberate act of the Insured or any Supply Authority;
 - b. drought or shortage of fuel at any power station.

If stated in the Schedule to be covered.

3. Damage to the insured products which are contained in the refrigeration chamber(s) and/or the Insured refrigeration chamber(s) caused as a direct result of the accidental escape of refrigerant following unforeseen and sudden physical damage to the refrigeration machinery described in the Schedule of this Section.

If stated in the Schedule to be covered.

C. Value

The word "Value" wherever used in this Section shall mean: In respect of the insured products

- i. "The actual purchase price paid by the Insured to his supplier for the insured products or that part thereof affected by accident"; or
- ii. "The actual purchase price paid by the Insured to his supplier for the insured products or that part thereof affected by accident to which is added the processing costs of such insured products prior to being placed in the refrigeration chamber(s)"; or
- iii. "The selling price of the insured products or that part thereof affected by accident". In respect of insured refrigeration chamber(s) "The current day replacement cost of the refrigeration chamber(s)"; Whichever stated in the Schedule to be applicable.

D. Refrigeration chamber

The term "refrigeration chamber" shall be deemed to include "freezing chamber".

SPECIFIC EXCEPTIONS

The Company shall not indemnify the Insured in respect of:

- a. The amount of the deductible stated in the schedule;
- b. Damage to insured products not contained in the insured refrigeration chamber(s) at the time of such damage;
- c. Consequential loss, damage or liability arising out of the damage to the Insured Products and/or storage;
- d. Damage to the insured products and/or refrigeration chamber(s) caused by bruising, rodents, pests or natural deterioration disease or vice.

MEMORANDA

Memo 1:

The premium charged under this section shall be provisional and adjusted on the expiry of each period of insurance in accordance with the provisions of memorandum 2 hereunder.

Memo 2:

The Insured shall make the following declaration to the Company on the expiry of each period of insurance:

- a. the average monthly value of the insured products as contained in refrigeration chamber(s). The provisional premium shall then be adjusted at the rates as agreed between the Insured and the Company and an additional premium charged, or refund made to the Insured or
- b. the maximum value of the insured products contained in refrigeration chamber(s) at any one time during the period of insurance. The Provisional Premium charged shall be adjusted at the rates agreed between the Insured and the Company and an additional or refund premium charged or allowed to the Insured
- c. i. the estimated value at risk for the forthcoming Period of Insurance in accordance with the provisions of (a) above
ii. the replacement cost of the refrigeration chamber(s).

Memo 3:

In the event of damage to the insured products:

- a. where such damage necessitates that the insured products be destroyed a certificate of condemnation must be obtained by the Insured from the appropriate local authority for such goods to be destroyed;
- b. where damage is alleged to have impaired the value of the insured products reasonable proof of impairment of value must be submitted by the Insured in respect of such insured products;
- c. where the Insured has incurred an increase in the cost of working so as to prevent or minimise damage to the insured products reasonable proof of the necessity for incurring such costs must be furnished by the Insured.

Memo 4:

The machinery described in the schedule of this section shall be subject to regular and adequate maintenance undertaken by suitably qualified members of the Insured's own staff or in terms of a Maintenance Contract with Specialist Maintenance Engineers.

Memo 5:

The controlling switchgear of the refrigeration machinery described in the schedule of this section shall incorporate apparatus for automatic restarting following a failure of the Public Supply of Electricity. First Amount Payable
The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

SECTION 26: ELECTRONIC EQUIPMENT

SUB-SECTION A: MATERIAL DAMAGE

DEFINED EVENTS

The Company shall indemnify the Insured in respect of: Physical loss of or damage to the property insured described in the Schedule from any cause not hereinafter excluded whilst:

1. at work or at rest anywhere within that part of the building occupied by the Insured at the insured premises described in the Schedule;
2. in transit including loading and unloading or whilst temporarily stored at any premises en route;
3. temporarily removed from that part of the building occupied by the Insured at the insured premises described in the Schedule to any other building;
4. any portable equipment specified in the Schedule anywhere in the world.

BASIS OF INDEMNITY

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

1. Partial loss

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

Provided that:

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

2. Total loss

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

the cost of replacing or reinstating on the same site new property of equal performance and/or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or damaged; Provided 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 replace or reinstate the property insured;
 - ii. the Insured are 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 the Company, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of period being admitted by memorandum to this Section.

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 second-hand/used property of equal performance and/or capacity to the property lost or damaged and of substantially similar condition. Where no similar property is available, market value shall be calculated by deducting from the current new replacement value of the nearest equivalent property, an amount representing:

- i. 20% (twenty per cent) for the first year after the date of purchase and
- ii. 10% (ten per cent) per year for each succeeding year subject always to a minimum indemnity of 40% (forty per cent) of the current new replacement value of the nearest equivalent property.

Underinsurance

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

Limit of Indemnity

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

a. Architects' and other Professional Fees

Professional fees necessarily and reasonably incurred in the repair or reinstatement of property following indemnifiable loss or damage; Provided that: the amount payable in respect of such fees does not exceed 15% (fifteen per cent) 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 reasonably incurred by the Insured in respect of demolition or dismantling of property and/or removal of debris and in providing, erecting, maintaining hoardings and other similar structures required during demolition, dismantling, debris removal and reconstruction following indemnifiable loss of or damage to such property; Provided that: the total amount recoverable does not exceed 15% (fifteen per cent) of the total amount of the claim.

c. Express Delivery and Over time

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

EXTENSIONS APPLICABLE ON SUB-SECTION A**1. Tenants**

This insurance will not be invalidated by any act or neglect on the part of a tenant of the Insured (where the Insured owns the building) or another tenant or the owner of the building (where the Insured is a tenant); Provided that: the Insured notifies the Company as soon as such act or neglect comes to their knowledge and pay on demand the appropriate additional premium.

2. Hire Purchase/Finance Agreements

Where the Company has knowledge of the property insured or any individual item thereof being the subject of a

suspensive sale or similar agreement, payment hereunder shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of loss or damage indemnifiable by this Sub-Section A of the Section.

3. Fire Extinguishing Charges

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

EXCEPTIONS APPLICABLE TO SUB-SECTION A

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

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

Provided that:

- i. exception 9.a shall not apply to portable equipment;
- ii. exception 9.b shall not apply to portable equipment.

Provide further that:

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 unless the vehicle is securely locked and entry to such vehicle is accompanied by forcible and violent entry or exit;
- b. 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;
- c. contained in a 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.

SUB-SECTION B: CONSEQUENTIAL LOSS

DEFINED EVENTS

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

A. Increased Cost of Working

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured during the indemnity period in consequence of the accident for the sole purpose of avoiding or diminishing the interruption of or interference with the normal business of the Insured less any sum saved during the indemnity period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of an accident. The indemnity by this item shall not apply directly or indirectly to:

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

B. 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 are lost as a result of accidental erasure (which shall include the events defined in the indemnity clause to Sub-Section A of this Section) or by theft or by the deliberate, willful or wanton intention of causing the cancellation or corruption of data or programs as provided for in Sub-Section A of this Section; Provided that:

- a. the indemnity shall not extend to nor include such costs incurred due to program errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programs;
- b. in respect of each and every event or series of events arising out of or in connection with any one original cause or source indemnifiable by this item, the Insured shall 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 with the number of hours/days detailed in the Schedule as the time excess after the occurrence of the accident and ending not later than the expiry of the period detailed in the Schedule as the indemnity period after such occurrence.

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

Accident

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

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

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

The Limit of Liability

The liability of the Company shall not exceed the amounts specified in the Schedule (relating to Sub- Section B) in respect of any one accident or series of accidents arising out of or in connection with any one event. In the event of the payment by the Company of any sum or sums in discharge of the Company's liability in terms of this Sub- Section, the sum(s) insured shall automatically be reinstated for the remainder of the current period of insurance. The Insured shall pay to the Company the additional premium required by the Company calculated prorata from the day of the accident to the end of the period of insurance.

EXTENSIONS APPLICABLE ON SUB-SECTION B**1. Telkom Access Lines**

Subject to the limits specified in the Schedule, consequential loss as provided for under Defined Events (A) and (B) of Sub-Section B arising from accidental failure of the Telkom access lines is included; Provided that: the insurance under this Extension shall be subject to the special conditions below. Special conditions applicable to Telkom access lines:

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

2. Reinstatement

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

- a. the Insured being unable or unwilling to replace or reinstate property destroyed or damaged, or failing to carry out such replacement or reinstatement, within a reasonable time, or
- b. additions, alterations or improvements being affected to the property insured on the occasion of its repair, the Company's liability under this Section, shall be related solely to the business interruption which would have arisen in the absence of (a) and (b).

SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTION B**1. Fines and Penalties**

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

2. Loss of Profit

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

GENERAL MEMORANDA**Memo 1 – Prevention of access**

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

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

Memo 2 – Capital additions and currency fluctuations

The indemnity by this Section shall include:

- a. additional equipment or programs purchased by the Insured of a similar nature to that specified in the Schedule;
Provided that: in respect of loss or damage due to electrical, mechanical or electronic breakdown or explosion, the insurance shall only commence after satisfactory completion of installation or commissioning/testing and put into use

at the Insured's premises;

b. provision for devaluation or revaluation of the currency of the Republic of South Africa against that of the country of origin of the property insured and other inflationary trends, which may result in the escalation of the sum insured (representing the installed new replacement value) of the property insured; Provided that: the increase shall not exceed, by more than 25% (twenty five per cent), the total sum insured for Sub-Section A specified in the Schedule, it being agreed that the Insured will advise the Company of such alterations after the expiry of each period of insurance and pay the appropriate premium thereon but not exceeding 50% (fifty per cent) of the difference.

GENERAL EXTENSION

Incompatibility Cover

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

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

Provided that:

- a. the costs provided for in (1), (2) and (3) above shall be necessarily and reasonably incurred to maintain normal working conditions;
- b. such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of Sub-Sections A or B (item B) of this Section;
- c. the cover afforded hereunder shall be restricted to:
 - i. parts or components of the electronic system which are not indemnifiable under Sub-Section A hereof;
 - ii. programs or data reinstated not indemnifiable under item (B) of Sub-Section B hereof;
- d. the indemnity by this Extension shall, in respect of any one event, be limited in the aggregate to 20% (twenty per cent) of the applicable total sum insured under Sub-Section A (The limit of indemnity) and Sub-Section B item (B) or R25 000 (twenty five thousand Rand), whichever is the lesser.

SPECIFIC EXCEPTIONS APPLICABLE TO SUB-SECTIONS A & B

Viruses, Trojans and Worms

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

SPECIFIC EXCEPTIONS APPLICABLE TO ALL SUB-SECTIONS

1. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule

2. Items insured under Electronic Equipment in respect of (worldwide cover)

Specific exception theft out of any unattended vehicle is amended to include theft due to a jamming device used to prevent the insured from locking the vehicle. Provided that:

- a. the items are individually specified on the schedule;
- b. cover is limited to 75% (seventy five percent) of the sum insured or 75% (seventy five percent) of replacement value, whichever is the lesser.
- c. the liability of the Company's under this extension shall not exceed R20 000 (twenty thousand rand);
- d. the Insured will be liable for an additional first amount payable of 10% (ten percent) of the claim with a minimum of R1 500 (one thousand five hundred rand);
- e. It is the responsibility of the insured to provide proof that a jamming device was used to prevent him from locking the vehicle.

SECTION 27: HOMEOWNERS

DEFINITIONS

Description of Buildings of farm Dwelling

The building(s) of the private dwelling(s), private garages and private outbuildings on the premises as stated in the Schedule build of brick, stone or concrete with slate roofs, tiles, metal, concrete or asbestos, except as otherwise stated in the Schedule, including the immediate boundary and other walls, gateposts, gates (including the machinery thereof), fences (other than hedges) and paved or surfaced areas (including driveways) of brick, concrete, asphalt or stone (not gravel) which provide direct access to the dwelling, private tennis courts, private spa baths, sauna rooms, Jacuzzis, sunken swimming pools including the filtration equipment, spa, sauna, jacuzzi and swimming pool machinery (other than automatic pool cleaning equipment), pool safety nets and covers, borehole machinery supplying water solely for domestic purpose, satellite dishes, water tanks and structures thereof, dams and septic tanks, being on the same premises as and used solely in connection with the aforesaid private dwelling, electric motors as well as any other domestic water supply equipment (excluding windmills and windmill equipment), electric air conditioners, solar heating systems including the homeowner's fixed fixtures therein or thereon.

Insured

Means the person in whose name this policy is issued.

Sum Insured

Means the amount stated in the schedule.

DEFINED EVENTS

Loss or damage caused by any of the following hazards to the buildings listed in the Schedule.

1. Fire, lightning & explosion;
2. Storm, wind, water, hail, snow or flood excluding destruction or damage:
 - a. to gates and fences not built of stone, concrete or brick;
 - b. caused by movement of the land supporting the dwelling even if such movement is caused by storm or flood. This Exclusion will not apply to the removal of land supporting the dwelling by flowing surface water;
 - c. support/retaining walls;
 - d. as a result of wear and tear or gradual deterioration;
 - e. that arises from property undergoing any process necessarily involving the use or application of water.
3. Aircraft and other aerial devices or articles dropped there from.
4. Earthquake: If the Company alleges that the destruction or damage arises from mining the burden of proving the contrary will rest on the Insured.
5. The escape of water from washing machines or dishwashers and the bursting or overflowing of water tanks, water apparatus or water pipes including damage to the apparatus or pipes and the accidental leakage of oil from fixed oil heating installations.
6. Theft or house breaking or any attempt thereof of landlord's fixtures and fittings in or on the buildings as defined, but excluding theft whilst the private dwelling and all private garages, domestic outbuildings and domestic apartments are left vacant or is lent, let or sub-let in whole or in part (provided that for the purpose here of the accommodation of paying guests, boarders or lodgers not exceeding 3 (three) in number shall not be deemed to be lending, letting or subletting of the building) unless such theft is accompanied by visible, forcible and violent entry into or out of the buildings.
7. Impact.
8. Breakage or collapse of radio or television aerials or masts.
9. Malicious damage.
10. Deliberate or willful or wanton acts excluding destruction or damage caused by or arising from theft or attempted theft whilst the building is vacant.

EXTENSIONS

1. Loss of rent

This Section covers loss of rent as a result of the private dwelling 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 30% (thirty per cent) of the sum insured for which the aforementioned private dwelling is insured in terms of this Section. The basis of calculation shall be the annual rent of the afore-mentioned private dwelling unfurnished or its equivalent in rental value.

2. Keys and Locks

This Section covers the cost of replacing locks and keys including the remote and/or alarm controller and, if necessary, the reprogramming of such coded alarm system of the insured property up to a maximum of R12 000 (twelve thousand rand) following upon loss of or damage to the lock or key, remote or alarm controller, or upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key, remote and/or alarm controller, as well as the reasonable expenses incurred in any emergency to call in a locksmith as a result of the loss of such key, remote and/or alarm controller.

3. Breakage of Glass and Sanitary Ware

In the event of accidental breakage in the dwelling (except when it is vacant) of fixed mirrors and glass against walls and in windows, doors, fan lights, roof windows, solar heating systems, greenhouses, conservatories and veranda's, stove glass tops, fixed wash basins, baths, pedestals, sinks, lavatory pans, splash backs and cisterns (but excluding chipping, scratching and other disfiguration) forming part of the building. The Company will pay for or may choose to repair or replace the item up to the limit stated in the schedule in any one annual period of insurance.

4. Power Surge

The Company will indemnify the Insured for damage to insured property caused directly by a power surge on the power line of a public supply authority subject to a limit of R20 000 (twenty thousand rand) in respect of any one claim or the amount stated in the Schedule.

5. Loss of Water by Leakage

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

- a. in the event of the quarterly reading of water consumption exceeding the average of the last previous 4 (four) quarterly readings by 50% (fifty per cent) or more the Company will indemnify the Insured for the cost of such additional water consumed up to a limit of R15 000 (fifteen thousand rand);
- b. up to R15 000 (fifteen thousand rand) shall be payable for not more than two separate incidents in any 12 (twelve) month period of insurance;
- c. it shall be a condition precedent to liability under this Extension that the Insured shall upon discovery of a leak (by physical evidence or on receipt of an abnormally high-water account) take immediate steps to repair the pipe(s) affected;
- d. this Extension does not cover the cost of remedial action including repairs to pipe(s) affected;
- e. the Company shall not be liable for claims:
 - i. where the water level of a swimming pool had to be topped up as a result of a leaking inlet or outlet pipe;
 - ii. as a result of leaking taps, geysers, toilet systems and swimming pools;
 - iii. whilst the property is unoccupied for a period in excess of 30 (thirty) days.

6. Public Supply Connections

In the event of accidental destruction or damage to water, sewerage, gas, electricity or telephone connections belonging to the Insured or for which he is responsible between the dwelling and the public supply, the Company will pay for or may choose to repair the damage up to a maximum of R10 000 (ten thousand rand).

7. Accidental damage

Sudden accidental loss of or damage (excluding wear and tear) to fixed machinery, for domestic use only, of swimming pools (excluding automatic pool cleaners), Jacuzzi's, boreholes (excluding windmills), spray irrigation systems in respect of domestic gardens, filtration equipment, air conditioners, solar panels for domestic use attached to the domestic buildings, electrical gates and motor garage doors installed at the private dwelling of the Insured Provided that:

The Company's liability is limited to the amounts listed below in respect of any single event applicable to

- a. Property as mentioned above with the exception of solar panels –R10 000 (ten thousand rand) in respect of any one event.
- b. Solar panels attached to the buildings–R20 000 (twenty thousand rand) in respect of any one event.

Provided further that: The Company will not be liable in respect of:

- a. loss or damage directly or indirectly caused by rust or resulting from the flow of water from any container, sink, landslide or collapse of any building;
- b. the incorrect use of tools or equipment, experiments, intentional overloading or the introduction of abnormal conditions;
- c. damage resulting from hydraulic testing or discovered during routine inspections;
- d. damage due to defects or defects known to the Insured or his responsible employee at the time of acceptance of this insurance and not disclosed to the Company repair or replacement:
- i. be attributed to wear or tear of the plant material, distortion or deformation that develops slowly or other gradual deterioration of any part of the plant, failure of joints or joints, defective design, workmanship or material;
- ii. of fuses or electrical contact points where sparking or arc formation takes place, heating elements, collector brushes, tugs, valves, dies, springs, clutch plates, piston rings, gaskets, seals, changeable or indispensable parts such as drill bits, drills, cutters, knives, blades, chains, belts - or sealants or fittings such as fusible plugs, sliders, safety links and parts not made of metal (other than electrical conductor insulation) transformer oil or switch oil or refrigerants;
- e. consequential loss or consequential damage of any kind;
- f. any claim made under a warranty by the manufacturers of the aforementioned machinery or provided by a service contract in respect of such machinery.

8. Aerials and Satellite Dishes

Covers in respect of damage to aerials and satellite dishes caused by breakage or collapse thereof are included.

9. Cost of Demolition, Professional Fees and Public Authorities' Requirements

The Company will pay costs necessarily incurred with its written consent:

- a. in demolishing the dwelling, removing debris from the site and erecting hoardings required for building operations;
- b. for architects', quantity surveyors' and consulting engineers' fees;
- c. for local authorities' scrutiny fees;
- d. for repairing or rebuilding in accordance with the requirements of public authorities following destruction or damage to the dwelling by an insured event.

Up to a combined accumulative limit of 10% (ten percent) of the building sum insured. These costs shall not be added to the sum insured of the building for the purposes of average.

10. Fire Extinguishing Charges

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

11. Liability to the Public

If the Insured or any member of his immediate family normally resident with him becomes legally liable to pay compensation for accidental death, bodily injury or illness or accidental loss of or damage to property occurring during the period of insurance and arising from the ownership and not out of the occupation of the dwelling the Company will indemnify the Insured up to the limit of R5 000 000 (five million rand) for any one accident arising out of one event including costs and expenses:

1. recoverable by any claimant from the Insured;
2. incurred with the written consent of the Company.

The Company will not pay for legal liability:

- a. to any member of the Insured's immediate family normally resident with the Insured;
- b. for loss of or damage to property in the care, custody or control of the Insured or any member of the Insured's immediate family normally resident with him or any employee of the Insured;
- c. directly or indirectly due to:

- i. the Insured's business or profession;
 - ii. the ownership of land or buildings other than the dwelling insured by this section of the policy and the land upon which they are situated provided the land is used for residential purposes only;
 - iii. the use of any motor vehicle, caravan, trailer, air or watercraft owned by the Insured or in the care custody or control of the Insured or any member of the Insured's immediate family normally resident with him or any employee of the Insured;
- d. accepted by agreement which would not have attached in the absence of such agreement other than a liability assumed in terms of a written contract entered into with a Company providing security or armed response services.

12. Mortgagee

The interest of a mortgagee of which the Company is aware:

- a. ranks prior to that of the Insured;
- b. is limited to the amount owing to the mortgagee by the Insured;
- c. will not be invalidated by any act or omission of the Insured if such act or omission occurs without the mortgagee's knowledge.

13. Tenants

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

14. Subsidence and Landslip (limited cover)

- a. this section is extended to include loss of or damage to the private residence caused by subsidence or heave of the land supporting the private residence or landslip, provided such loss or damage is not caused by or does not arise from:
 - i. excavations other than mining excavations;
 - ii. alterations, additions or repairs to the private residence;
 - iii. the compaction of infill;
 - iv. defective design, materials or workmanship;
 - v. normal settlement, shrinkage or expansion of the private residence.
- b. The Company will not be liable for loss or damage to:
 - i. solid floor slabs or any other part of the private residence resulting from the movement of such slabs, unless the foundations supporting the external walls of the private residence or outbuildings are damaged by the same cause at the same time(i) solid floor slabs or any other part of the private residence resulting from the movement of;
 - ii. swimming pools, tennis courts, patios, terraces, driveways, paths, septic or conservancy tanks, drains, water courses, walls, gates, posts and fences unless the private residence or outbuildings are damaged by the same cause at the same time.
- c. The Company will not be liable for work necessary to prevent further loss or damage due to subsidence, heave or landslip except where appropriate design precautions were implemented during the original construction of the private residence and any subsequent additions thereto.

15. Removal of Fallen Trees

The insurance under this Section covers costs reasonably and necessarily incurred in removing trees or parts of trees from the dwelling(s) or premises as described in the Schedule that have fallen following a defined event as described under Defined Events; Provided that:

- a. the Company's liability will not exceed R10 000 (ten thousand rand) any one occurrence;
- b. such costs will be subject to the Company's prior written consent;

16. Builder's Risk

While an independent contractor undertakes any alterations, renovations or installations on the Insured's Dwelling, the Company shall indemnify the Insured for the loss or damage to the work undertaken caused by:

- a. wind, storm, hail, flood or snow;

- b. fire or explosions;
 - c. earthquake;
 - d. theft of materials, excluding tools or construction equipment, or fixed items subject to there being forcible and violent entry or exit from the premises thereof, up to an amount of 10% (ten per cent) of the building sum insured for any one claim. There shall be no cover if:
 - i. the total period for the alteration, renovation or installation project exceeds 12 (twelve) months in total;
 - ii. the total cost of the alteration, renovation or installation project exceeds 10% (ten per cent) of the sum insured value.
- For the purposes of this Building Operations clause, the independent contractor cannot be the Insured and must be a member of a recognised building Body.

17. Discomfort Cover

In the event of a total loss of the premises caused by any insured peril for which the Company had indemnified the Insured, an additional amount of R10 000 (ten thousand rand) will be paid to the Insured for any discomfort suffered.

18. Damage to Garden

Costs reasonably and necessarily incurred by the Insured in the Insured's capacity as owner of the Buildings for the replacement of trees, shrubs and plants and water features situated at the Premises following damage due to any insured; Provided that: the Company's liability will not exceed R10 000 (ten thousand rand) in respect of any one occurrence.

19. Special Alterations

The Company will indemnify the Insured for the fair and reasonable cost of alterations to the private residential structures if these are necessary because the Insured have had an accident that causes bodily injury and leaves the Insured permanently bound to a wheelchair during the period of this policy. The limit of indemnity will not exceed R20 000 (twenty thousand rand) in respect of special alterations.

20. Damage by Wild Baboons or Wild Monkeys

The Company will indemnify the insured for loss of or damage to the Insured's private residence and outbuildings caused by wild baboons or wild monkeys up to a maximum amount of R30 000 (thirty thousand rand).

21. Capital Additions

The insurance under this Section covers alterations, additions and improvements, but not appreciation in value in excess of the sum(s) insured, to the property for an amount not exceeding 25% (twenty five percent) of the sum insured thereon; Provided that: the Insured undertake to advise the Company as soon as possible of such alterations, additions and improvements and to pay the appropriate additional premiums thereon.

22. Inflation

The sum insured in respect of buildings insured hereby will be increased automatically each month by a percentage commensurate with price indices. No premium adjustment will be made until anniversary date when the premium will be calculated on the sum insured. This does not relieve the Insured of his/her responsibility to ensure that the sums insured represent the full replacement value of the property at all times.

SPECIFIC CONDITIONS

1. Reinstatement value

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

- a. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch (and in any case must be completed within 12 (twelve) months after the destruction or damage or within such further time as the Company may (during the said 12 (twelve) months) in writing allow, otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made;

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

2. Thatch Roof or Non-standard Structures

This Section of the Policy shall provide for the inclusion of loss or damage to structures of nonstandard construction including thatch or straw roofs, wooden walls and/or floors or other than from standard material and not forming part of the main structure, including lapas:

- a. not bigger in size than 10% (ten per cent) of the surface of the main structure and limited to a maximum sum insured of R150 000 (one hundred and fifty thousand rand);
- b. the structure must be more than 5 (five) meters away from the main structure:
 - i. the structure shall be regarded as detached and not forming part of the main structure;
 - ii. and the non-standard construction first amount payable shall be applied to this structure.

3. Underinsurance

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

4. Lightning Conductors

It is a condition precedent to liability under this Section that all buildings with grass or straw or thatch roofing shall be equipped with an adequate and properly installed SABS approved lightning conductor, or lightning conductor of a similar or better standard, specifically installed for conducting lightning away from the particular building.

5. Compulsory first amount payable

- a. The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule;
- b. If the Insured (individual) is older than 55 (fifty-five) years of age, the Compulsory First Amount Payable in respect of a claim will not be applicable under this Section.

SPECIFIC EXCEPTIONS

1. Unfurnished or Unoccupied Private Dwellings

If any insured private dwelling is left unfurnished or unoccupied, the cover of this Section is suspended in respect of the following insured perils 5, 6, 8, 9 and 10, unless the Insured before the occurrence of any damage, obtains a written agreement from the Company to continue with these insured perils.

The Company will not be liable for:

- 1. the first amount payable stated in the schedule or in the policy wording whichever is greater of every claim;
- 2. for the damage or loss to the property as a result of gradual deterioration, structural defects, faulty design, defective workmanship, lack of maintenance, normal wear and tear, corrosion, inherent vice and latent defect;
- 3. for damage or loss of property that is as a direct consequence of a defect in its design or construction;
- 4. any damage or loss to the building or structure not completely roofed unless designed to operate in the open;
- 5. any loss or damage if any building insured or containing the insured property becomes unoccupied for 30 (thirty) consecutive days, the insurance in respect of this section is suspended as regards the property affected unless the Insured, before the occurrence of any damage, obtains the written agreement of the Company to continue this Section.

ENDORSEMENTS IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Riot and Strike

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

1. civil commotion, labor 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.

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.

2. Earthquake

Notwithstanding anything to the contrary contained in Defined event 4, it is hereby declared and agreed to be amended to read as follows: "4. Earthquake excluding any loss or damage (other than loss or damage due to fire) arising from any mining activity".

3. Geyser Special Replacement

At the payment of an additional premium this section is extended to replace a conventional geyser with a solar geyser at the time of the loss or damage to the conventional geyser as a result of an insured event; Provided that:

The liability of the Company will not exceed R20 000 (twenty thousand rand) in respect of any one occurrence.

4. Mechanical Breakdown

At the payment of an additional premium it is hereby declared and agreed that this Section is extended to cover the following: Accidental mechanical or electrical breakdown of fixed machinery, for domestic use only whilst in or fixed to the buildings on the premises as described in the Schedule

Provided that:

the Company will not be liable in respect of:

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

Provided that:

- i. Specific Condition 3 - Underinsurance shall not be applicable;

ii. the Liability of the Company in respect of any one occurrence shall not exceed the amount per item as stated in the Schedule;

5. Subsidence and landslip (extended cover)

a. this section is extended to include loss of or damage to the private residence caused by subsidence or heave of the land supporting the private residence or landslip, provided such loss or damage is not caused by or does not arise from:

- i. excavations other than mining excavations;
- ii. alterations, additions or repairs to the private residence;
- iii. the compaction of infill;
- iv. defective design, materials or workmanship;
- v. normal settlement, shrinkage or expansion of the private residence.

b. The Company will not be liable for loss or damage to:

- i. solid floor slabs or any other part of the private residence resulting from the movement of such slabs unless the foundations supporting the external walls of the private residence or outbuildings are damaged by the same cause at the same time (i) solid floor slabs or any other part of the private residence resulting from the movement of;
- ii. septic or conservancy tanks, drains, water courses, unless the private residence or outbuildings are damaged by the same cause at the same time.

c. The Company will not be liable for work necessary to prevent further loss or damage due to subsidence, heave or landslip except where appropriate design precautions were implemented during the original construction of the private residence and any subsequent additions thereto.

SECTION 28: HOUSE CONTENTS

DEFINITIONS

Insured

The Insured shall mean the person in whose name the policy is issued and the spouse of the Insured and includes any other member of the family of the Insured or member of the family of the spouse of the Insured, provided the aforesaid member is normally residing with the Insured.

Insured Property Means

Household goods and personal effects (excluding cell phones, palmtops and laptops of the Insured's business), which belong to the Insured or are the responsibility of the Insured and includes the contents of the Insured's office (including money and negotiable instruments up to R5 000) (five thousand rand). Business goods and equipment up to R50 000 (fifty thousand rand) (excluding electronic data processing equipment) and stock-in-trade and equipment relating to a home industry. and fixtures and fittings (not being landlord's fixtures and fittings) the property of the Insured or for which the Insured is responsible or property of any member of the Insured's family normally residing with the Insured in:

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

Dwelling Means

The private residence, its domestic outbuildings and garages all situated at the address shown in the schedule.

Domestic Outbuildings Mean

The building(s) of all domestic rooms, private garages and private outbuildings being on the same premises as and used solely in connection with, but not directly communicating with, the Insured's private residence.

Basis of Settlement

If the property insured is lost or damaged by an insured event the Company will pay for or may choose to repair or replace it. The amount payable will be the current replacement cost. Provided that: if at the time of loss or damage the cost of replacing the property insured as new is greater than the sum insured the Insured will be his own insurer for the difference and will bear a ratable proportion of the loss or damage.

DEFINED EVENTS

Loss of or damage to the whole or part of the insured property caused by any of the perils specified below, subject to specific conditions in respect of events 6 and 7 Theft:

1. Fire, lightning, explosion;
2. Storm, flood, wind, water, hail or snow excluding loss or damage to property:
 - a. in the open unless the property is designed to exist or operate in the open;
 - b. that arises from undergoing any process necessarily involving the use or the application of water;
3. Earthquake, excluding destruction or damage arising directly or indirectly from mining. If the Company alleges that the destruction or damage arises from mining the burden of proving the contrary will rest on the Insured;
4. Sudden and violent damage to any building caused by impact;
5. Bursting, leaking or overflowing of water apparatus, pipes or fixed oil-fired heating apparatus (excluding damage caused thereto);
6. Theft or attempted theft from:
 - a. the private residence excluding theft whilst the building or any part thereof are left vacant or being lent, let or sub-let (provided that for the purpose hereof the accommodation of paying guests, boarders and lodgers not exceeding 3 (three) in number shall not be deemed to be lending, letting or sub-letting of the building) by the Insured unless such theft is accompanied by visible, forcible and violent entry or exit;

- b. any building in which the Insured is temporarily residing;
- c. any building in which the Insured is employed;
- d. any furniture, storage depot, bank or safe deposit box;
- e. any other building on the Insured's premises provided there is visible, forcible and violent entry or exit;
- f. any domestic outbuildings not directly communicating with the private residence, limited to R15 000 (fifteen thousand rand) or the amount stated in the Schedule whichever is the greater unless there is visible, forcible and violent entry or exit.

7. Theft

- a. while being moved by professional movers during a permanent change in the address stated in the schedule;
- b. while in transit to or from a furniture storage depot or a bank safe deposit;
- c. or attempted theft while in transit in the Insured's or authorised representative's custody to or from any place of purchase, repair or renovation following an accident to the conveying motor vehicle or theft following forcible and violent entry into the vehicle up to an amount of R10 000 (ten thousand rand) any one event;
- d. of laundry, garden and swimming pool furniture, garden maintenance equipment, automatic pool cleaning equipment, pool safety nets and pool coverings of a similar nature from the grounds of the dwelling up to R15 000 (fifteen thousand rand) any one claim.

EXTENSIONS AND CLAUSES

1. Glass, television sets, audio visual equipment and personal home computers If property insured in the dwelling being;

- a. mirror glass or glass forming part of furniture is accidentally damaged;
 - b. television sets, audio-visual equipment or personal home computers, personal laptops, personal iPods and personal tablets accidentally damaged by impact (excluding mechanical or electrical or electronic breakdown).
- The Company will indemnify the Insured provided that the Insured bears the first amount payable as stated in the schedule.

2. Domestic refrigerator, deep freeze, cold store and freezing room contents

If the contents of any refrigerator/deep freeze/cold store or freezing room in the dwelling deteriorate as a result of:

- a. breakdown of or accidental damage to the unit;
- b. failure of power supplied by public authorities (excluding the deliberate cessation of the power supply by any authority).

The Company will indemnify the Insured up to R10 000 (ten thousand rand) or the amount stated in the schedule whichever is the greater.

3. Power Surge

The Company will indemnify the Insured for damage to insured property caused directly by a power surge on the power line of a public supply authority subject to a limit of R20 000 (twenty thousand rand) in respect of any one claim or the amount stated in the Schedule.

4. Keys and Locks, Access Cards

The company will indemnify the Insured in respect of the cost of replacing locks and keys (including electronic access cards) to any insured premises following upon the disappearance of any key to such premises or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key; Provided that: the Company's liability shall not exceed R12 000 (twelve thousand rand) in respect of any one event.

5. Rent

If the private residence becomes uninhabitable as a direct result of loss or damage caused by an insured event the Company will for the period necessary for reinstatement indemnify the Insured up to 30% (thirty per cent) of the sum insured for:

- a. rent for which the Insured is liable;
- b. any reasonable additional cost incurred in providing alternative accommodation for the Insured and co-insured's and domestic servants normally resident with the Insured.

6. Domestic staff's property

Loss of or damage to the household goods and personal effects excluding money and negotiable instruments belonging to domestic staff in the fulltime service of the Insured by any of the perils specified in Defined Events 1 to 7 whilst such property is contained in the dwelling;

Provided that:

- a. loss or damage by theft is excluded unless such theft is accompanied by forcible and violent entry or exit into or out of the dwelling;
- b. the liability of the Company shall not exceed R15 000 (fifteen thousand rand) any one occurrence.

7. Guests

If household goods and personal effects excluding money and negotiable instruments not otherwise insured belonging to a guest temporarily residing with the Insured are lost or damaged by any of the perils specified in 1 to 7 of Defined Events or by theft from the private residence the Company will indemnify the guest up to R15 000 (fifteen thousand rand) any one claim.

8. Accidental Death

In the event of accidental bodily injury to the Insured or member of his family normally residing with the Insured while in the dwelling or its grounds and die as a direct result of the injury within 12 (twelve) months of the injury the Company will pay:

- a. R15 000 (fifteen thousand rand) for a person over 18 (eighteen) and under 76 (seventy-six) years of age;
- b. R7 500 (seven thousand five hundred rand) for a person 18 (eighteen) years of age and under.

9. Medical and Veterinary Expenses

In the case of medical and veterinary expenses incurred as a result of accidental bodily injury sustained by any:

- a. person other than the Insured caused by a domestic animal owned by the Insured;
- b. guest or visitor arising from any defect in the dwelling;
- c. domestic staff in the course of their employment by the Insured;
- d. domestic animal owned by the Insured arising from a road accident.

The Company will pay up to R10 000 (ten thousand rand) per person or R5 000 (five thousand rand) for injury per domestic pet in respect of any one event and in any one annual period of insurance.

10. Tenants

This insurance will not be invalidated by any act or omission of a tenant of the Insured provided that the Insured notifies the Company as soon as such act or omission comes to his knowledge.

11. Discomfort Cover

In the event of a total loss to the contents caused by any insured peril for which the Company had indemnified the Insured, an additional amount of R10 000 (ten thousand rand) will be paid to the Insured for any discomfort suffered.

12. Accidental Damage

The Company will at their option by payment, repair or replacement, indemnify the Insured for accidental damage to insured property whilst in the dwelling.

The Company shall not be liable for:

1. any amount that exceeds R20 000 (twenty thousand rand);
2. loss of or damage caused by or to:
 - a. wear and tear, depreciation, gradual deterioration, electrical or mechanical breakdown, rust, mildew, moth, vermin, insects, by scratching, chewing, tearing or soiling by your own domestic pets, process of dyeing, cleaning or renovation, confiscation or detention by any process of law, any gradual operating clause, the action of light or atmospheric conditions;
 - b. scratching, chipping or denting to furniture or domestic appliances;
 - c. consequential loss of any nature;
 - d. firearms, video or audio tapes, CD's and DVD's;
 - e. articles of fragile nature.

13. Liability to the Public

This Extension covers:

- a. all sums for which the Insured is legally liable as a householder occupying the premises or any member of the Insured's family normally residing with the Insured for compensation in respect of:
 - i. death of or bodily injury to or illness of any person; ii. physical loss of or damage to tangible property occurring during the period of insurance as a result of an accident;
 - b. all legal costs and expenses:
 - i. recovered by any claimant against the Insured;
 - ii. incurred with the written consent of the Company in respect of a claim against the Insured for compensation to which the indemnity expressed in this Extension applies;
- Provided that: the amount payable in respect of any one accident or series of accidents arising out of one event will not exceed R5 000 000 (five million rand) inclusive of all compensation and all legal costs and all other costs and expenses.

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

- a. liability assumed by the Insured by agreement and which would not have attached in the absence of the agreement;
- b. liability in respect of death of or bodily injury to or illness of any person who is a member of the Insured's household or family whether residing with the Insured or not;
- c. liability in respect of death of or bodily injury to or illness of any person under a contract of service or apprenticeship with the Insured if the liability is in respect of death, bodily injury or illness arising out of and in the course of the employment of the person by the Insured;
- d. liability in respect of loss of or damage to property belonging to or in the charge of or under the control of the Insured or of any member of the Insured's family or household or of any servant or agent of the Insured;
- e. liability in respect of death, bodily injury, illness, loss or damage caused by or in connection with or arising from:
 - i. any profession or business of the Insured;
 - ii. the ownership or possession or use by or on behalf of the Insured of lifts or mechanically propelled vehicles or trailers other than pedestrian controlled gardening implements;
 - iii. deliberate or malicious acts;
 - iv. explosives;
- f. liability in respect of:
 - i. claims for compensation, legal costs and expenses for death, any injury, illness, loss or damage directly or indirectly caused by or by means of or as a result of or originating from or attributable to seepage, pollution or contamination provided always that this proviso shall not apply to claims for compensation and/or legal costs and expenses in respect of the accidental death of or bodily injury to or illness of any person or accidental physical loss of or damage to tangible property where such seepage, pollution or contamination is caused by a sudden unintended and unforeseen occurrence during the period of insurance;
 - ii. any costs of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;

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

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

14. Common Law Liability to Domestic Servants

This Section covers:

- a. all sums for which the Insured is legally liable to pay for compensation in respect of death of, or bodily injury to or illness of any domestic servant's arising out of and in the course of the period of such domestic servants' employment with the Insured in his/her capacity as a householder at the premises and occurring during the period of insurance as a result of an accident;

b. all legal costs and expenses:

- i. recovered by any claimant against the Insured;
- ii. incurred with the written consent of the Company in respect of a claim against the Insured for compensation to which the indemnity expressed in this Contingency applies,

Provided that: the amount payable in respect of any one accident or series of accidents arising out of one event will not exceed R5 000 000 (five million rand) inclusive of all compensation and all legal costs and all other costs and expenses. In addition and in connection with the employment of such domestic servants by the Insured, the Company will indemnify the Insured against costs and expenses not exceeding R2 000 (two thousand rand) incurred by the Insured with the consent of the Company in the defence of any criminal action brought against the Insured arising out of an alleged contravention of the Occupational Health and Safety Act no. 85 of 1993.

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

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

15. Domestic Telephone Instruments

If in the dwelling any domestic telephone instrument (excluding cellular telephone) is accidentally damaged the Company will indemnify the Insured up to R2 000 (two thousand rand) per instrument any one claim.

16. Trauma

If the Insured is a victim of a violent act of theft, attempted theft, hold up, hijacking or fire which necessitates professional counselling the Company will pay compensation up to R15 000 (fifteen thousand rand) any one claim.

17. Loss of Water by Leakage

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

- a. in the event of the quarterly reading of water consumption exceeding the average of the last previous four quarterly readings by 50% (fifty percent) or more the Company will indemnify the Insured for the cost of such additional water consumed up to a limit of R15 000 (fifteen thousand rand);
- b. up to R15 000 (fifteen thousand rand) shall be payable for not more than two separate incidents in any 12 (twelve) month period of insurance;
- c. it shall be a condition precedent to liability under this Extension that the Insured shall upon discovery of a leak (by physical evidence or on receipt of an abnormally high-water account) take immediate steps to repair the pipe(s) affected;
- d. this Extension does not cover the cost of remedial action including repairs to the pipe(s) affected; the Company shall not be liable for claims:
 - i. as a result of leaking taps, geysers, toilet systems and swimming pools;
 - ii whilst the property is unoccupied for a period in excess of 30 (thirty) days;
 - iii. where the water level of a swimming pool had to be topped up as a result of a leaking inlet or outlet pipe.

18. Clearance Costs

The Company will indemnify the Insured up to R20 000 (twenty thousand rand) any one claim for costs necessarily incurred in respect of the removal of debris from the premises following loss of or damage hereby insured.

19. Damage to the Garden

The Company will pay costs reasonably and necessarily incurred by the Insured in his/her capacity as owner of the buildings for the replacement of trees, shrubs and plants situated at the dwelling following damage due to fire, fire fighting operations, explosion, impact or deliberate or willful acts up to an amount of R8 000 (eight thousand rand) excluding loss or damage caused by or arising from theft or attempted theft.

20. Damage by Wild Baboons and Wild Monkeys

The Company will indemnify the insured for loss of or damage the contents of the insured's private residence and outbuildings caused by wild baboons or wild monkeys up to an amount of R30 000 (thirty thousand rand).

21. Inflation

The sum insured in respect of contents insured hereby will be increased automatically each month by a percentage with price indices. No premium adjustment will be made until anniversary date when the premium will be calculated on the adjusted sum insured. This does not relieve the Insured of his/her responsibility to ensure that the sum insured represents the full replacement value at all times.

22. Documents

This Section covers loss of or damage caused by the perils specified in 1 to 7 of Defined Events to documents and manuscripts, the property of the Insured, whilst in the private dwelling described in the Schedule up to R10 000 (ten thousand rand) any one claim. The Company shall only be liable for the value of materials and the cost in labour in reinstating the documents or obtaining duplicates and not for the value of the information contained therein.

23. Temporary Increase of Sum Insured

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

24. Transit

The Company will indemnify the Insured up to R10 000 (ten thousand rand) for damage to household goods in the Insured's or his/her authorised representative's custody whilst in transit to or from any place of purchase, repair, renovation or any premises as stated in the schedule, provided the damage is caused by fire, collision or overturning of the conveying motor vehicle including theft following the stated occurrences, excluding theft cover as described in terms of Defined Events 7 (c).

25. Storage Costs and Temporary Removal of Contents after Loss

This Section covers necessary storage and temporary removal costs incurred by the Insured to safeguard the contents after the occurrence of any peril specified in Defined Events up to an amount of R10 000 (ten thousand rand).

26. Limited Bed and Breakfast Cover

Cover is subject if only 3 (three) or fewer bedrooms of the insured's private residence are rented out to guests and that the insured lives in the private residence on a permanent basis.

27. Stock-in-trade

The stock in trade will be covered if the insured amount shown in the schedule for the Householders section, which includes the stock-in-trade of the insured's Bed-and-Breakfast, is adequate. If the insured amount is not adequate, average will apply.

28. Increase in Peak Period

The amount shown in the schedule for the House Holders Section will be increased by 10% (ten per cent) as shown in the schedule for:

- a. long weekends;
- b. during festivals; and
- c. during school holidays shown on the official provincial school calendar.

29. Loss or Damage of Personal Effects of Paying Guests

The Company will indemnify the insured for loss or damage caused by an insured event to the personal effects, excluding money and any items of an exchangeable nature, that belong to paying guests while the personal effects are inside the insured's private residence. The cover excludes household goods and personal effects insured elsewhere. The limit of indemnity shall not exceed R10 000 (ten thousand rand).

30. Trauma cover for Paying Guests

The insurer will indemnify the insured for any fees charged by a registered professional counsellor for the treatment of trauma suffered by a paying guest if the paying guest needs treatment due to theft, burglary, hijacking or fire that occurred on the insured's premises. The insurer will not indemnify the insured for expenses recovered from any other insurance or facility. Indemnity is limited to R10 000 (ten thousand rand).

31. Cleaning and dry-cleaning of guests' property

The insurer will indemnify the insured for liability arising from accidental loss or damage to guests' laundry while their

laundry is being cleaned or dry-cleaned by the insured or upon the insured's instruction by a third party. The limit of indemnity shall not exceed R8 000 (eight thousand rand).

SPECIFIC CONDITIONS

1. Jewels, Jewellery and Precious stones while not worn on the person

The Company shall not be liable under this Section in respect of loss or damage to jewels, jewelry and precious stones within the dwelling of the Insured, unless at the time of the loss or damage such jewels, jewelry and precious stones are contained in a securely locked safe or strong room and the proof of ownership can be delivered by means of a valuation certificate that is not older than 3 (three) years.

2. Compulsory First Amount Payable

- a. The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule;
- b. If the Insured (individual) is older than 55 (fifty-five) years of age, the Compulsory First Amount Payable in respect of a claim will not be applicable under this Section, unless an additional first amount payable is applicable for not complying to the policy conditions. SPECIFIC CONDITIONS IN RESPECT OF THEFT

1. Burglar Bar and Security Gate Warranty

It is a condition of cover that, all opening windows are protected by burglar proofing and all external doors are protected by security gates, unless the policy is specifically endorsed otherwise.

If the Insured did not comply with these conditions at the time of a theft, then the Insured shall be liable for an additional excess as stated in the schedule.

2. Burglar alarm warranty (applicable to risks in towns and cities)

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 keys of the alarm or any duplicate thereof belonging to the insured unless such keys/card keys have been obtained by violence or threat of violence to any person.

SPECIFIC EXCEPTIONS

The Company shall not be liable for:

- a. the first amount payable stated in the schedule (or in the policy wording if greater) of every claim;
- b. loss or damage if at the time of such loss or damage the dwelling has been unoccupied for more than 30 (thirty) days, unless otherwise agreed and noted on the schedule;
- c. loss or damage caused, sustained or incurred outside the territorial limits of the Republic of South Africa, Botswana, Lesotho, Namibia, Swaziland, and Zimbabwe;
- d. theft of money and other negotiable instruments unless stolen from the private residence and there is forcible and violent entry or exit from the residence or as a result of theft following violence or threat of violence;
- e. more than 33% (one third) of the sum insured in total for paintings, precious metals and stones, jewellery, furs, rugs, and carpets unless more specifically insured;
- f. any loss or damage if any building insured or containing the insured property becomes unoccupied for 30 (thirty) consecutive days, the insurance in respect of this section is suspended as regards the property affected unless the Insured, before the occurrence of any damage, obtains the written agreement of the Company to continue this Section.

ENDORSEMENTS IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Riot and Strike

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

consequence of:

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

This Extension does not cover:

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

2. Mechanical Breakdown

At the payment of an additional premium it is hereby declared and agreed that this Section is extended to cover the following: Accidental mechanical or electrical breakdown of any electrical equipment whilst in the buildings on the premises as described in the Schedule Provided that: the Company will not be liable in respect of

- a. damage arising from wear and tear, depreciation, mildew, rust, moth, vermin, insects, larvae, any process of cleaning, dyeing, repairing or restoring, gradual deterioration which includes the action of light atmospheric or climatic conditions;
- b. scratching, abrading, denting or chipping;
- c. damage arising from faulty or defective design materials or workmanship;
- d. damage arising from inherent vice or latent defect;
- e. damage arising from lack of maintenance;
- f. damage to computers, laptops and/or data processing equipment;
- g. damage to tools of any description including garden equipment and implements and automatic pool cleaning equipment;
- h. damage arising through any disregard of the manufacturer's instructions relating to the operation of any electrical equipment;
- i. damage for which provision is made in terms of the guarantee or warranty issued by the manufacturers of any electrical equipment Provided further that:
 - i. underinsurance shall not be applicable;
 - ii. the Liability of the Company in respect of any one occurrence shall not exceed the amount per item as stated in the Schedule.

SECTION 29: PERSONAL ALL RISKS

DEFINED EVENTS

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

DEFINITIONS

Unspecified Property

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

Provided that: above mentioned items are limited to 25% (twenty-five per cent) of the sum insured with a maximum of R10 000 (ten thousand rand) any single article.

Specified Property

Property more specifically described and specified in the Schedule.

EXTENSIONS

1. Non-motorised Scooters and Pedal Cycles

This Section covers loss of or damage to non-motorised scooters and pedal cycles not exceeding R3 000 (three thousand rand), unless specified as a separate item under specified property, but excluding loss of or damage to accessories and spare parts of the non-motorised scooter or pedal cycle by theft or burglary.

2. Household Goods in Transit

Cover in terms Definition 2 d. is extended to include theft of household goods belonging to the Insured and in his/her custody or control whilst in transit limited to the sum insured as specified in the Schedule.

3. Contents of a caravan and/or luggage trailer

Specified contents of a caravan and/or luggage trailer are subject to the following: Property insured means household goods belonging to the Insured or for which he/she is responsible whilst in the caravan or attached side tent and/or luggage trailer; Provided that:

The Company will not be liable for:

- a. theft of property insured while the caravan or side tent is unoccupied unless there is forcible and violent entry;
- b. theft of property insured out of luggage trailers unless there is forcible and violent entry;
- c. more than R3 000 (three thousand rand) or 25% (twenty-five per cent) of the sum insured whichever is the greater, for any one article;
- d. stamp and/or coin collections, money, documents, jewelry, furs or any article more specifically insured;
- e. the permanent fixtures and fittings of the caravan.

4. Riot and Strike (if stated in the Schedule to be included)

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

1. civil commotion, labor 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.

This Extension does not cover:

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

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

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

SPECIFIC EXCEPTIONS

The Company shall not be liable for:

- a. deterioration occasioned by moth, vermin, insects or larvae;
- b. rust or corrosion;
- c. loss or damage caused by wear and tear or depreciation;
- d. damage to any working machine or any working part caused by mechanical, electronic or electrical breakdown, failure or breakages;
- e. consequential loss or consequential damage of any nature;
- f. loss or damage arising from any process of cleaning, dying, repairing or restoring;
- g. contact lenses, cellular telephones, tools, stamp and coin collections unless specifically insured and specified in the Schedule;
- h. loss or damage arising from detention, confiscation, destruction or requisition by customs or other officials or authorities;
- i. gradual deterioration including the action of light, atmospheric or climatic conditions;
- j. property insured lost from an unattended motor vehicle by theft or attempted theft unless the vehicle is locked and there is violent and forcible entry to the vehicle;
- k. cracking, scratching or breakage of glassware or other articles of a brittle nature (other than jewelry and cameras and cracking, scratching or breakage of spectacles) unless caused by fire or theft;
- l. loss or damage to photographic and optical equipment whilst the equipment is being used for commercial or professional purposes or expeditions of discovery or research or underwater photography;
- m. loss or damage to cash, bank notes, currency notes, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts, securities or any kind of travel tickets unless described in the Schedule to be included;
- n. loss or damage to motor vehicles, trailers, caravans, hang gliders, air and watercraft other than surf boards and paddle skis.
- o. remote jamming will be limited to 50% (fifty percent) of the agreed loss.

SPECIFIC CONDITIONS

1. Safe Deposit (if stated in the Schedule to be included)

If cover indicated against a specified item in the Schedule is BANK, insurance under this Section only applies when such item is contained in a safe deposit in a bank or locked in a safe deposit or strong room of the Insured when not being carried on the Insured.

2. Replacement Value

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

3. Jewels, Jewellery and Precious Stones while Not Worn on the Person

The Company shall not be liable under this Section in respect of loss or damage to jewels, jewelry and precious stones, unless at the time of the loss or damage such jewels, jewelry and precious stones are contained in a securely locked safe or strong room and the proof of ownership can be delivered by means of a valuation certificate that is not older than 3 (three) years.

4. Loss of Jewels, Jewellery and Precious Stones

The Company shall not be liable under this Section in respect of loss or damage to jewels, jewelry and precious stones, unless proof of ownership can be delivered by means of a valuation certificate that is not older than 3 (three) years by the Insured.

5. Compulsory First Amount Payable

- a. The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.
- b. If the Insured (individual) is older than 55 (fifty-five) years of age, the basic Compulsory First Amount Payable in respect of a claim under unspecified items will not be applicable under this Section

6. Items Insured under Personal All Risks in Respect of Worldwide Cover

Specific exception theft out of any unattended vehicle is amended to include theft due to a jamming device used to prevent the insured from locking the vehicle.

Provided that:

- a. cover is limited to 75% (seventy five percent) of the sum insured or 75% (seventy five percent) of replacement value, whichever is the lesser;
- b. the liability of the Company's under this extension shall not exceed R20 000 (twenty thousand rand);
- c. the Insured will be liable for an additional first amount payable of 10% (ten percent) of the claim with a minimum of R1 500 (one thousand five hundred rand);
- d. It is the responsibility of the insured to provide proof that a jamming device was used to prevent him from locking the vehicle.

SECTION 30: WATERCRAFT

OPERATIVE CLAUSE

The Company shall indemnify the Insured against the following contingencies:

SECTION 1 – LOSS OR DAMAGE

SUB-SECTION A VESSELL

DEFINED EVENTS

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

1. afloat at sea, in ports and rivers or on inland waters including docking, undocking, launching and hauling out and whilst being towed or towing water-skiers or vessels or crafts in distress; provided that:
 - a. such towage or salvage service is not undertaken in terms of a contract previously arranged by or on behalf of the Insured or any other party;
 - b. the insured vessel does not exceed 6 (six) meters in overall length;
2. in transit by road, rail, sea or air including loading and unloading;
3. ashore including dry-docking and at the premises of contractors for the purpose of overhauling, fitting out, upkeep, repair or survey.

Vessel shall mean:

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

Provided that: such property is insured under a separate sum insured in the Schedule excluding the property more specifically described in

SUN-SECTION B

SUB-SECTION B OTHER PROPERTY

DEFINED EVENTS

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

1. boating-, yachting-, or crew's clothes, and other specified personal effects;
2. diving and fishing gear, water-skis, ski-ropes and other sports equipment;
3. food, fuel and other stores, lifebelts and medical kit;
4. binoculars, sextants, fish finding and similar equipment;
5. nautical books, maps and navigating equipment;
6. radar, radio, television and electronic equipment.

SUB-SECTION C TRAILER

DEFINED EVENTS

Loss of or damage to the trailer and/or launching trolley described in the Schedule including the permanent fittings attached thereto. Insured Perils The property described in Section 1 Sub-Sections A, B and C is covered against accidental loss or damage not otherwise excluded, including:

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

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

3. fire, self-ignition, lightning, earthquake and explosion;
4. storm, tempest and flood;

5. Theft or any Attempt Thereof of:

- a. the entire vessel and/or its boat(s) and/or trailer;
- b. the vessel's and/or boat's and/or trailer's machinery and/or its fixtures and fittings or equipment including outboard motor(s) and the property more specifically described in Sub-Section B of the Schedule;

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

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

Provided that:

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

6. Dropping Off or Falling Overboard of the Insured Vessel's Outboard Motor(s);

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

7. Aircraft and other Aerial Devices or Articles Dropped there from or there out.

Additional cover to the abovementioned:

- a. the expenses of sighting the bottom after the insured vessel has been stranded, sunk or in collision, if reasonably incurred specially for that purpose, even if no damage be found;
- b. salvage charges incurred in preventing a loss by any peril stated in this Section;
- c. costs and expenses reasonably incurred in minimising or averting a loss which would have resulted in a claim under this Section;
- d. credit shortfall:

if any total loss settlement under Section 1 – Sub-Section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the Company will pay to the Insured an additional amount equal to the shortfall less:

- i. any arrears instalments or rentals including interest payable on such arrears;
- ii. all refunds of premium for cancellation of any insurance cover relating to the motorboat, yacht and/or small craft;
- iii. the increased instalments or rental that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled;
- iv. the First Amount Payable under Section 1 – Sub-Section A;

Provided that:

- a. the amounts payable shall not exceed the maximum indemnity less the First Amount Payable under Section 1 – Sub-Section A;
- b. this Extension shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% (ten per cent) 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.

SPECIFIC EXCEPTIONS SECTION 1 – SUB-SECTIONS A, B AND C

The Company shall not be liable for:

- 1. loss of or damage to vessel(s) which is attributable to submerged objects under the water;
- 2. damage resulting from scratching or bruising and/or denting and the cost of consequent repainting or re-varnishing arising during transit or during loading or unloading;
- 3. loss of or damage to diving and fishing gear and other sports equipment which is directly attributable to the use such equipment for the purposes for which it was manufactured;
- 4. loss of or damage to sails and protective covers split by the wind or blown away whilst set, unless:

- a. caused by the insured vessel being stranded, sunk, burnt, on fire or in collision or in contact with any external substance, including ice but excluding water;
 - b. in consequence of damage to the spars to which the sails are bent;
5. loss or damage directly or indirectly caused by or through or contributed to by wear and tear, depreciation, deterioration or occasioned by moth, vermin or rust;
6. consequential loss from any cause whatsoever;
7. damage to tyres of the trailer by road punctures, cuts or bursts whilst on the road;
8. damage to springs due to inequalities of the road or other surface;
9. loss of or damage to or the costs of repairing:
- a. mechanical or electrical breakdowns, failures or breakages;
 - b. motors, electrical machinery, batteries and their connections, including the shaft and propeller, and including metaling or repairs thereto unless caused by:
 - i. the insured vessel being stranded, sunk, burnt, on fire, in collision or in contact with any external substance, including ice but excluding water;
theft of the entire vessel or theft accompanied by actual forcible, visible and violent breaking into or out of such vessel or place of storage or theft of the out-board motor(s) securely locked to the vessel by an anti-theft device in addition to its normal method of attachment or by fire in a place of storage ashore or whilst such property is being removed from or placed in the insured vessel;
 - ii. vessel or place of storage or theft of the out-board motor(s) securely locked to the vessel by an anti-theft device in addition to its normal method of attachment or by fire in a place of storage ashore or whilst such property is being removed from or placed in the insured vessel;
 - iii. explosion, earthquake, malicious acts, aircraft and other aerial devices or articles dropped there from or there out;
10. any loss or expenditure incurred solely in remedying a fault in design or in the event of damage resulting from faulty design and giving rise to a claim under the conditions of this insurance, for any additional expenditure incurred by reason of betterment or alteration in design, or for the costs and expenses of replacing or repairing any part condemned solely in consequence of a latent defect or fault or error in design or construction;
11. Loss of or Damage to Boat(s) Not permanently marked with the name of the parent vessel insured under this Section.

SPECIFIC CONDITIONS SECTION 1 – SUB-SECTIONS A, B AND C

1. Claim Settlement

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

Provided that:

- a. the liability of the Company shall be limited to the indemnity stated above or the sum insured in respect of such property whichever is the lesser;
- b. the maximum liability of the Company in any one period of insurance shall not exceed the total sum insured;
- c. deductions on account of new material replacing old may be made at the Company's discretion in respect of loss or damage to:
 - i. sails, protective covers and running rigging;
 - ii. outboard motor(s), inboard motor(s), batteries and machinery;
- d. in the event of loss of or damage to the property insured the Company's liability in respect of any new parts which may be required as a result of such loss or damage and which are unobtainable in the Republic of South Africa, Namibia or Botswana or are obsolete in pattern, shall be limited to the value of such parts at the time of the loss or damage but not. Exceeding the manufacturer's last issued catalogue or price list for such parts
- e. the Company shall not be liable for glitter and/or decorative and/or similar finish unless specifically stated in the Schedule that indemnity for such repairs are included and the Insured has paid the premium required therefore;

f. the Company shall not be liable for unprepared damage in addition to a subsequent total loss sustained during the period of insurance stated in the Schedule.

2. Underinsurance

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

3. Excesses – Section 1

In respect of each and every occurrence giving rise to a claim the Insured shall be responsible for the First Amount Payable specified stated in the schedule Provided that:

- a. in the event of more than one item of a Sub-Section being involved in the same occurrence giving rise to a claim the Insured shall only be responsible for the First Amount Payable in respect of the aggregate claim of all such items;
- b. in the event of more than one Sub-Section being involved in the same occurrence giving rise to a claim the Insured shall only be responsible for the First Amount Payable of either Sub-Section A or Sub-Section B or Sub-Section C, whichever is the highest in respect of the aggregate claim of all such Sub-Sections. The expression "occurrence" shall mean an occurrence or series of occurrences arising out of one cause in connection with the vessel, trailer or other property insured under this Section.

SECTION 2 – LIABILITY

SUB-SECTION A – LIABILITY TO THIRD PARTIES (IF STATED IN THE SCHEDULE TO BE INCLUDED)

DEFINED EVENTS

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

- a. accidental death of or bodily injury to or illness of any person;
- b. accidental loss of or damage to property including loss of or damage to piers, docks, wharves and jetties and the cost of any attempted or actual raising, removal or destruction of the wreck of the vessel or neglect or failure to raise, remove or destroy it; arising out of the use of or caused by the vessel, trailer or other property described in the Schedule.

SUB-SECTION B – LIABILITY TO NON – FARE PAYING PASSENGERS IN RESPECT OF MOTORBOATS, YACHTS AND SMALL

CRAFT ONLY (IF STATED IN THE SCHEDULE TO BE INCLUDED)

DEFINED EVENTS

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

- a. accidental death of or bodily injury to or illness of any person;
- b. accidental loss of or damage to the property of any person; whilst he/she is travelling upon the vessel described in the Schedule or embarking thereon or disembarking there from; Provided that: such passenger(s) is not transported for reward.

SUB-SECTION C – LIABILITY IN RESPECT OF WATER-SKIERS OR PARASAILERS IN RESPECT OF MOTORBOATS ONLY (IF STATED IN THE SCHEDULE TO BE INCLUDED)

DEFINED EVENTS

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

- a. accidental death of or bodily injury to or illness of any person;
- b. accidental loss of or damage to property of any person; engaged in water-skiing or parasailing whilst being towed by the vessel described in the Schedule or preparing to be towed or after being towed until safely on board such vessel including liability as defined above in respect of:
 - i. accidental death of or bodily injury to or illness of any person;

ii. accidental loss of or damage to the property of any person; incurred by water-skiers or parasailers operating with the vessel described in the Schedule;

Provided that:

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

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

DEFINED EVENTS

The provisions of Section 2 – Sub-Sections A, B and C of this Section shall extend to any person other than:

- a. a person operating or employed by the operator of a shipyard, repair yard or slipway;
- b. a person operating or employed by a yacht or motorboat club, sales agency or similar organisation; whilst he/she is navigating or in charge of the vessel described in the Schedule, on the order or with the permission of the Insured; Provided that:
 - a. such person is not entitled to indemnity under any other Policy;
 - b. such person shall, as though he/she were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this Section in so far as they can apply;
 - c. such person has not been refused yacht or motorboat insurance or continuance thereof by any other insurance company or underwriter.

SUB-SECTION E – COSTS AND EXPENSES

DEFINED EVENTS

The provisions of Section 2 – Sub-Sections A, B, C and D of this Section are extended to cover:

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

Provided that:

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

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

Provided that:

any liability in respect of wrongful diagnosis is expressly excluded;

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

SPECIFIC EXCEPTIONS SECTION 2 – SUB-SECTIONS A, B, C, D AND E

The Company shall not be liable for:

1. death of or bodily injury to or illness of:
 - a. any person being a member of the same household as the Insured or any person being a member of the Insured's family;
 - b. workmen or any person employed by the Insured in any capacity whatsoever arising out of and in the course of such employment;
 - c. any person being conveyed in or on the trailer described in the Schedule;
2. loss of or damage to property:
 - a. belonging to the Insured or is leased, hired, lent or in the charge, custody, control or held in trust by or on behalf of the insured;
 - b. conveyed or about to be conveyed in or on the vessel and/or trailer except in respect of property belonging to passengers and water-skiers provided that liability of water-skiers is included in the Schedule of this Section;
3. claims for compensation in respect of fare-paying passengers;

4. liability assumed by agreement unless such liability would have attached to the Insured notwithstanding such agreement;
5. any advice or treatment, other than first-aid treatment given or administered by the Insured or by any person acting on the Insured's behalf;
6. accidents arising whilst the vessel and/or trailer is in transit by road or attached to a motor vehicle or has broken away become accidentally detached from a motor vehicle including any liability which is the subject of indemnity under any form of motor vehicle insurance, whether such insurance is required by any Law, or not, notwithstanding that no such insurance is in force or has been affected;
7. liability of or to water-skiers or parasailers unless specifically insured under Section 2 – Sub- Section C.

SPECIFIC CONDITIONS SECTION 2 – SUB-SECTIONS 1, 2, 3, 4 AND 5

Limits of Liability

1. In respect of motorboats, yachts and small craft only. The liability of the Company in respect of:
 - a. accidental death and/or bodily injury, and/or illness; and/or
 - b. accidental loss and/or damage to property; and/or
 - c. costs and/or expenses; shall be limited to the sums specified hereunder in respect of any one accident or series of accidents due to or arising out of any one event or occurrence: or

A.	To Third Parties	R1 000 000
B.	To Passengers	R1 000 000
C.	To and/or of Water skiers or Parasailers if specifically, insured	R1 000 000
D.	In the aggregate of (a), (b) and (c) above	R10 000

Provided that:

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

2. In respect of Jet Skis Only

The liability of the Company in respect of:

- a. accidental death and/or bodily injury, and/or illness; and/or
- b. accidental loss and/or damage to property; and/or
- c. costs and/or expenses;

shall be limited to the sums specified hereunder in respect of any one accident or series of accidents due to or arising out of any one event or occurrence: Sub-Section Liability Limit of Indemnity

A To Third Parties R250 000

E In the aggregate of (a), (b) and (c) above R10 000

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

SECTION 3 MEDICAL EXPENSES

DEFINED EVENTS

Doctors' or surgeons' fees up to R10 000 (ten thousand rand) in the aggregate for emergency attendance upon the Insured or the Insured's spouse or children who are in the Insured's custody as a direct result of the vessel sinking or being in collision with another vessel or in contact with any external substance, including ice but excluding water.

SPECIFIC EXCEPTIONS SECTIONS 1, 2 AND 3 AND ALL SUB-SECTIONS

The Company shall not be liable for loss, damage, expense or liability of whatsoever nature directly and/or indirectly caused by or contributed to by or arising from:

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

SPECIFIC EXTENSIONS, CONDITIONS AND CLAUSES SECTIONS 1, 2 AND 3 AND ALL SUB-SECTIONS

1. Submerged objects under the water – hull only (if stated in the Schedule to be included)

Notwithstanding anything to the contrary contained in Specific Exception 1 applicable to Section 1 Sub-Sections A, B and C above this Section is extended to include the following: loss of or damage to hulls, excluding rubber vessels and outboard motor(s), which is directly attributable to submerged objects under the water.

2. Submerged objects under the water – including outboard motors (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in Specific Exception 1 applicable to Section 1 Sub-Sections A, B and C above this Section is extended to include the following: loss of or damage to the vessel(s), excluding the hull of rubber vessels, which is directly attributable to submerged objects under the water.

3. Riot and strike (if stated in the Schedule to be included)

Subject otherwise to the Terms, Conditions, Exclusions, Exceptions and warranties contained therein, this Section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- i. civil commotion, labor 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.

This Extension does not cover:

- a. loss or damage occurring in the Republic of South Africa and Namibia;
- b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- c. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- d. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority;
- e. loss or damage related to or caused by any occurrence referred to in General Exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence. If the Company alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured.

4. Speed Limit

The maximum designed speed of the insured vessel, or the parent vessel in the case of a vessel with boat(s) may not

exceed 53.75 knots (100 kilometers) per hour.

5. Due Diligence

The Insured shall take all reasonable steps to maintain the vessel, trailer and other property insured by this Section in a proper state of repair and in a sea- and roadworthy condition and shall at all times exercise all reasonable precautions for the safety of such property and to prevent loss, damage and accidents.

6. Geographical and Cruise Boundaries

The Company shall not be liable in respect of any accident, injury, loss, damage and/or liability caused, sustained or incurred:

- a. outside the territorial limits of the Republic of South Africa, Lesotho, Botswana, Swaziland Namibia, Mozambique, Zimbabwe and Malawi;
- b. outside a cruising range of 12 (twelve) nautical miles from the coast of the Republic of South Africa, Namibia or Mozambique unless such geographical and cruising range in respect of motorboats, yachts and small craft are specifically extended by Endorsement.

7. Description of Use

Use for social, domestic, pleasure and private purposes excluding:

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

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

8. Claims

a. Notification of claims:

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

b. Repairs and tenders:

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

the additional expense of the voyage arising from compliance with the Company's requirements being refunded to the Insured. The Company shall have a right of veto concerning the place of repair or repairing firm and may also take tenders or may require tenders to be taken for the repairs of the vessel or other property insured under this Section.

c. Reinstatement:

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

d. Constructive total loss:

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

e. Sister ships:

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

9. Assignment

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

10. Hire Purchase

If to the knowledge of the Company the vessel, trailer or other property covered by this Section is the subject of a hire purchase or similar agreement, payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of such loss or damage.

11. Laid up Periods

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

12. No Rights to any other Person than the Insured

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

13. Compulsory First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

SECTION 31: PERSONAL LEGAL LIABILITY

DEFINED EVENTS

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

a. accidental death of or bodily injury or illness to any person other than a person being the Insured or any member of the Insured's family or household or in the employment of the Insured if such death, bodily injury or illness arises out of and in the course of such employment; and/or

b. physical loss of or physical damage to tangible property other than property belonging to or leased, let, rented, hired or lent to or held in trust by or being in the care or custody or control of the Insured or any person in the employ of the Insured or any member of the Insured's family or household, occurring at any time during the period of insurance within the territorial limits and which is caused by or through the fault or negligence of the Insured, his wife or any member of his family normally residing with him; Provided that:

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

TERRITORIAL LIMITS

Anywhere in the World.

EXTENSIONS

1. Security Companies

Specific exception (1) is not applicable to any liability which is assumed in terms of a written contract with any entity which provides security or armed response services in respect of property insured under "Householders" and "House-owners".

2. Credit cards, credit vouchers and SIM cards (used in cellular telephones)

Liability for amounts which the insured or the insured's spouse must pay, due to the unlawful use by a person not related to the insured or the insured's spouse, of:

a. credit cards or credit vouchers officially issued by a credit institution in the insured or the insured's spouse's name; The insured and the insured's spouse had to have complied with the terms and conditions under which the credit cards and credit vouchers were issued to them;

b. SIM cards issued in the insured or the insured's spouse's name.

Provided always that the liability of the insurer under this extension shall not exceed R8 000 (eight thousand Rand) in any 12 (twelve) months period of insurance.

3. Hole-in-One

This Section covers a payment of R5 000 (five thousand rand) if the Insured scores a hole-in-one playing as an amateur on any recognised golf course affiliated to a provincial Golf Union during a game played in terms of the official rules of golf; Provided that:

the Company receives written confirmation from the secretary of the club.

4. Full house

This Section covers a payment of R5 000 (five thousand rand) if the Insured forming part of a rink (team of four) which, playing as amateurs, scores a full house (that is, all eight bowls to count) in a game of bowls in any competition played in terms of the rules of the South African Bowling Association, at any recognised bowling club;

Provided that: the Company receives written confirmation from the secretary of the club.

5. Wrongful arrest and search

Notwithstanding anything to the contrary contained in this Section the Company will indemnify the Insured against all sums for which the Insured becomes legally liable to pay for damages resulting from the wrongful arrest or alleged

wrongful arrest or search of any person (including assault in connection therewith);

Provided that: the liability of the Company for all compensation and damages and all costs and expenses of litigation and all other costs and expenses shall be limited to R50 000 (fifty thousand rand) in respect of any one claim or series of claims arising out of one event subject to a maximum of R50 000 (fifty thousand rand) during any 12 (twelv

6. Personal Legal Liability for Domestic Employees

The Company will indemnify the Insured for legal liability due to the accidental death of, or bodily injury to, the Insured's domestic employees that arises from and in the course of their employment.

The amount payable under this extension, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants, and all other costs and expenses incurred with the Company's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, shall not exceed in the aggregate the limit of R1 000 000 (one million rand).

SPECIFIC EXCEPTIONS

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

1. liability assumed by the Insured by agreement unless such liability would have attached to the Insured notwithstanding such agreement;
2. any fines or penalties or punitive, exemplary or vindictive damages; Provided that: this Specific Exception shall not extend this Section to cover any liability which would have been insured under this Section in the absence of this Specific Exception;
3. a. claims for compensation, legal costs and expenses in respect of death, any injury, illness, loss or damage directly or indirectly caused by or by means of or as a result of or originating from or attributable to seepage, pollution or contamination provided always that this Specific Exception shall not apply to claims for compensation and/or legal costs and expenses in respect of the accidental death of or bodily injury to or illness of any person or accidental physical loss of or damage to tangible property where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence during the period of insurance;
b. any costs of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence;
Provided that:
this Specific Exception shall not extend this Section to cover any liability which would have been insured under this Section in the absence of this Specific Exception;
4. claims for compensation and legal costs and expenses in respect of death, injury or illness attributable to a gradual working cause which did not occur from a sudden and identifiable accident or occurrence;
5. claims for injury or damage which is the direct or indirect consequence of:
 - a. aircraft (except model aircraft), vehicles, trailers, motorboats, yachts or vessels;
 - b. the ownership or occupation of any land or buildings;
 - c. the pursuit or exercise of any trade, occupation, business or profession;
 - d. willful or malicious acts;
 - e. cycles (other than pedal cycles used for social, domestic or pleasure purposes) or animals (other than dogs or cats attached to the household);
 - f. explosives, rifles and firearms;
6. the letting or hiring out:
 - a. any amount exceeding R1 000 000 (one million rand) any one event or any one insurance period in terms of any movable property or part thereof for a fee, reward or other consideration;
 - b. of any immovable property or part thereof for a fee, reward or other consideration.e) months period of insurance.

Section 32: EXTENDED PERSONAL LEGAL LIABILITY CLAIMS MADE BASIS SPECIAL CONDITIONS RELATING TO THE LIABILITY PLUS COVER ISSUED IN CONJUNCTION WITH THIS PRIMARY POLICY

The Insured Events, Specific Exclusions, General Conditions and General Provisions noted below and those included in this Liability Plus cover are in addition to and are to be read in conjunction with the Definitions and Guidelines for Interpretation and the General Terms, Conditions and Exceptions of this policy document as well as the Definitions and Explanations, Events Covered, Events Not Covered and Automatic Extensions of this Section.

LIABILITY PLUS LIMITS

General Liability Limit: R 20 000 000 in excess of the R1 000 000 limit provided under this policy (Primary Policy) Motor Liability Limit: R 20 000 000 in excess of the R2 500 000 limit provided under this policy (Primary Policy).

A. The liability of Renasa Insurance Company Limited for all damages in respect of any one event shall not exceed the Limits stated above and on the Schedule inclusive of any costs and expenses that may have been incurred by you with their written consent and costs and expenses recoverable from you by any claimant after deduction of any payments or awards made and due to be made by Renasa Insurance Company Limited

B. Renasa Insurance Company Limited will pay those sums in excess of the limit provided by the General Legal Liability Section of this Policy but not exceeding the LIMIT stated above, and on the Schedule, that you become legally liable to pay as compensation by reason of liability imposed by law or assumed by you under any contract because of bodily injury or property damage that is not covered by the Primary Policy provided always that:

- i. No liability shall attach to this Liability Plus Section of the policy unless and until Renasa Insurance Company Limited have paid or have been held liable to pay the full amount of their limit under the primary liability section of the policy
- ii. If by reason of the payment of any claim or claims under the Primary Policy, during the period of insurance the amount of indemnity provided by such Primary Policy is
 - a. Partially reduced then this Policy shall apply in excess of the reduced amount of the Primary Policy for the remainder of the Period of Insurance
 - b. Totally exhausted then this policy shall continue in force as Primary Policy until expiry hereof

SPECIFIC EXCLUSIONS

1. Watercraft, Aircraft

This insurance does not apply to death, injury, sickness or disease or death sustained by a person resulting from such injury, sickness or disease including mental injury mental anguish and shock or to physical damage to, loss of use or destruction of tangible property arising out of the ownership, maintenance, operation, use, loading or unloading of any watercraft of more than 8.0 meters in length or any aircraft owned by you or rented to you.

2. Motor Vehicles

This insurance does not apply to death, injury, sickness or disease or death sustained by a person resulting from such injury, sickness or disease including mental injury mental anguish and shock or to physical damage to, loss of use or destruction of tangible property resulting from the use of any registered Motor Vehicle owned by or in your physical legal control or in respect of which insurance is required by virtue of any legislation relating to Motor Vehicles.

Provided that:

- i. This exclusion shall not apply where coverage is provided under any Underlying Insurance (Primary Insurance) relating to the use of Motor Vehicles, or the excess provided in the schedule of insurance
- ii. Renasa Insurance Company Limited will not pay for so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This extension shall apply notwithstanding that no insurance under such enactment is in force or has been affected.

SUB-SECTION A: LIVESTOCK INCLUDING PEDIGREED ANIMALS (EXCLUDING GAME)

DEFINED EVENTS - A

Loss or damage resulting from death or destruction of the livestock, (including pedigreed animals) described in the Schedule directly caused by fire or lightning excluding whilst in transit.

DEFINED EVENTS - B

Loss or damage resulting from death or destruction of the livestock (including pedigreed animals) described in the Schedule directly caused by violent accident (excluding storm, wind, water, hail or snow but included whilst in transit) or euthanasia which is administered on the authority of a qualified veterinary surgeon as a result of injuries caused by the insured perils.

DESCRIPTIONS SUB-SECTION A

Livestock shall mean:

1. Cattle;
2. Sheep;
3. Goats;
4. Pigs;
5. Horses;
6. Donkeys;
7. Alpacas.

EXTENSIONS SUB-SECTION A

1. Transit Cover (Only applicable to Defined Events B)

This section is extended to include transit cover.

2. Fire Extinguishing Charges (Applicable to transit cover Defined Events B)

If the property described in the Schedule is lost or damaged by fire whilst in course of a transit insured by this Section the Company will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire up to an amount of R10 000 (ten thousand rand) or the limit stated in the schedule whichever is the greater in respect of any one Defined Event.

3. Debris Removal (Applicable to transit cover Defined Events B)

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a maximum limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

4. Relocation Costs

The insurance under this Section includes costs necessarily incurred by the Insured for the relocation of livestock following a veld fire that has sparked panic and the outbreak of livestock from their place of detention or where the Insured due to humanitarian considerations cut off the paddock fencing to protect the livestock from the fire, subject to a maximum limit of R100 000 (one hundred thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

SPECIFIC CONDITIONS SUB-SECTION A

1. Situation and Use

No livestock (including pedigreed animals) shall be removed from the premises as stated in the Schedule for the purpose of being kept permanently elsewhere without the written consent of the Company.

2. Condition of Animals

Livestock (including pedigreed animals) described in the schedule must all be sound and healthy and free from injuries at the commencement of this insurance.

3. Death of Livestock (including pedigreed animals)

On the death of any animal described in the Schedule the Insured shall immediately give notice thereof to the Company and shall give the Company the opportunity of inspecting the carcass by not cutting or disposing of it until the expiration of at least 24 (twenty four) hours after such notice shall have been received by the Company.

The Insured shall at his own expense within 14 (fourteen) days after being requested to do so furnish the Company with such information accompanied by such veterinary certificates and satisfactory proof as to death, identify and value of the animal as the Company may require. The burden of proving that an insured animal has not died from an excepted cause as described in this Section shall rest upon the Insured. If the claim be admitted the Insured shall dispose of the carcass to the best advantage and the amount realised shall belong to the Company;

Provided that:

in the event of claims for the death of livestock (including pedigreed animals) caused by lightning:

a. at the time of submitting a claim the Insured shall furnish the Company with a sworn affidavit:

i. to confirm that the death of the animal(s) was caused by lightning;

ii. declaring at the time of the loss the total number of animals the Insured possessed as well as the total number of animals not belonging to, or held in trust by, or in the custody or under the control of the Insured or any employee or agent of the Insured;

b. a Veterinary report for all claims above R25 000 (twenty-five thousand rand).

4. First Amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

5. Under Insurance in Respect of Numbers

If at the time of any loss of the livestock (including pedigreed animals) as Insured under this Section against the Perils as defined herein it is found that the number of animals is higher than the number insured then the Insured shall be considered as being his own insurer for the difference. Every item, if more than one, shall be separately subject to this Specific Condition; Provided that: the Insured shall bear a rateable share of each and every loss.

6. Insurance of Lambs

The liability of the Company in respect of a lamb older than 24 (twenty-four) hours but younger than 3 (three) months shall be limited to 10% (ten per cent) of the sum insured of the ewe.

SPECIFIC EXCEPTIONS SUB-SECTION A

The Company shall not be liable for loss or damage caused by or arising from:

1. theft or any attempt thereat or from straying;
2. frostbite, poisoning of any kind or strange objects in the alimentary canal of any of the livestock, erroneous feeding or erroneous dosage whether malicious or by accident;
3. attack by dogs or wild animals;
4. actions performed for the Insured by independent contractors or liabilities assumed by the Insured by contract or agreement;
5. damage to or loss of livestock (including pedigreed animals) not belonging to or held in trust by or in custody or under the control of the Insured or any employee or agent of the Insured;
6. any disease, ailment or condition in any animal described in the schedule, carcass or product thereof which may spread, contaminate or otherwise injure;
7. confiscation, requisition or detention of any livestock (including pedigreed animals) by order of any statute, government or public authority;
8. risks of contraband or illegal transportation or trade;
9. destruction in compliance with the requirements of any statute or any order of a government department or local authority;
10. transit by air or sea;
11. accident or disease sustained or contracted elsewhere than in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
12. accident or disease sustained or contracted during transit by air or by sea;

13. the intentional slaughter or destruction of livestock (including pedigreed animals) whether by or under order of any government or public or local authority or any person or body having jurisdiction in the matter or otherwise;
Provided that: the Company will not invoke this particular exception as a defence where:
- a. the Company shall have expressly agreed to destruction of the livestock (including pedigreed animals); or
 - b. insured livestock (including pedigreed animals) suffers an injury or is affected with an excessively painful disease and a qualified veterinary surgeon appointed by the Company certifies that it is incurable and so excessive that immediate destruction is imperative for humane reasons; or
 - c. insured livestock (including pedigreed animals) suffers an injury and a qualified veterinary surgeon appointed by the Insured shall first have given a certificate that the suffering of the livestock (including pedigreed animals) is incurable and so extensive that immediate destruction is imperative for humane reasons without waiting for the appointment of a veterinary surgeon by the Company;
14. consequential loss however this may arise;
15. liability to third parties;
16. loss or damage incurred in transit while any vehicle is being driven by:
- a. the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
 - b. any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles; Provided that:
any driver shall be deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under the territorial limits of this Section, or if non-compliance with any licensing law is solely because of failure to renew any license subject to periodic renewal, or if a license is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners;
17. loss or damage to the insured property consequent upon hijacking or any attempt thereat;
18. trampling or suffocation resulting in death or destruction of livestock (including pedigreed animals) whilst in transit in or on any means of conveyance (irrespective of the type of transit cover).

ENDORSEMENTS APPLICABLE TO DEFINED EVENTS A IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Attack by Dogs and Wild Animals

At the payment of an additional premium the cover under this Section is hereby extended to include loss or damage in respect of death of the livestock (including pedigreed animals) described in the schedule, directly caused by attack by dogs or wild animals excluding dogs or wild animals belonging to the Insured, members of his household or his employees or kept in their custody. It is a condition precedent to liability under this extension that the Insured shall notify the Company as well as the Police as soon as possible after the loss or damage and that he will seriously endeavour to identify the dogs or wild animals and their owners;

2. Cancellation of fire and lightning cover only

Defined event A of Sub-Section A is cancelled.

3. Freezing of livestock (including pedigreed animals)

At the payment of an additional premium the cover under this Section is extended to include the following: loss or damage in respect of death or destruction of livestock (including pedigreed animals) described in the schedule directly caused by:

- a. storm, wind, water, hail or snow;
- b. freezing with the exception of loss or damage due to a drop-in temperature which is not accompanied by storm, wind, water, hail or snow;

Provided that: Cover in respect of new business and additions will be subject to a 7 (seven) day waiting period before cover will take effect.

4. Hijacking Cover

At the payment of an additional premium Specific Exception 17 of this Section is cancelled and cover is extended to include loss of or damage to the property as stated in the Schedule as a result of Hijacking but limited to the sum insured stated in the Schedule in respect of any single occurrence.

5. Riot and Strike

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

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

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.

6. Emergency Feeding

At the payment of an additional premium the cover under this Section is extended to include emergency feeding cover following a veld fire which destroyed the natural feeding of the insured livestock (including pedigreed animals) up to the sum insured as stated in the schedule;

Provided that:

The Company shall not be liable for loss or damage to the natural feeding if:

- a. the surface of natural feeding varies between 0 up to 1 000 hectares and the destruction of natural feeding as a result of a veld fire is not at least 50% or more;
- b. the surface of natural feeding varies between 1 001 up to 5 000 hectares and the destruction of natural feeding as a result of a veld fire is not at least 35% or more;
- c. the surface of natural feeding is more than 5 001 hectares and the destruction of natural feeding as a result of a veld fire is not at least 25% or more;
- d. the Insured or any employee of the Insured in the process of preparing any firebreak which resulted in an uncontrolled veld fire causing the destruction of natural feeding;
- e. the Insured or any employee of the Insured in the process of maintaining any existing firebreak which resulted in an uncontrolled veld fire causing the destruction of natural feeding.

SUB-SECTION B: PEDIGREED ANIMALS (EXCLUDING GAME)

DEFINED EVENTS

Death of the insured pedigreed animal excluding game, as defined in the schedule, by accident, illness or disease occurring during the period of insurance, or for insurance for an annual period only in the event of death of such pedigreed animal occurring within 30 (thirty) days after the expiry of this insurance as a result of any accident occurring, or illness or disease manifesting itself during the currency hereof and subject to written notice of such

accident, illness or disease having been given to the Company before expiry of this insurance for the actual value of such pedigreed animal at the time of the accident or manifesting of illness or disease causing its death and the liability of the Company will not exceed the limit of the limit of liability as specified in the Schedule in respect of such pedigreed animal.

DESCRIPTIONS SUB-SECTION B

Pedigreed Animals shall mean:

- a. Cattle;
- b. Sheep;
- c. Goats.

EXTENSIONS SUB-SECTION B

1. Transit

This section is extended to include transit cover.

2. Accidental Plant Poisoning or Poisoning

This section is extended to include accidental plant poisoning or poisoning arising out of feeding and/or watering and/or dipping up to 65% (sixty-five per cent) of the sum insured of the pedigreed animal.

3. Calf Extension (only applicable in respect of an insured cow)

It is hereby declared and agreed that this Section is extended to provide cover for a calf or twin calves older than 24 (twenty four) hours but less than 6 (six) months of age provided that the Company's liability in respect of such calf or twin calves shall not exceed 20% (twenty per cent) of the sum insured of the cow. In the event of payment of compensation in terms of this extension the insured amount of the insured cow shall be reduced by the amount of such compensation.

4. Fire Extinguishing Charges (applicable to transit cover)

If the property described in the Schedule is lost or damaged by fire whilst in course of a transit insured by this Section the Company will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire up to an amount of R10 000 (ten thousand rand) or the limit stated in the schedule whichever is the greater in respect of any one Defined Event.

5. Debris Removal (applicable to transit cover)

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a maximum limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

6. Relocation Costs

The insurance under this Section includes costs necessarily incurred by the Insured for the relocation of pedigreed animals following a veld fire that has sparked panic and the outbreak of pedigreed animals from their place of detention or where the Insured due to humanitarian considerations cut off the paddock fencing to protect the pedigreed animals from the fire, subject to a maximum limit of R100 000 (one hundred thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

SPECIFIC CONDITIONS SUB-SECTION B

1. Situation and Use

No pedigreed animal shall be removed from the premises as stated in the Schedule for the purpose of being kept permanently elsewhere without the written consent of the Company. No pedigreed animal shall be used for purposes other than those stated in the proposal without the written consent of the Company.

2. Notification of Claim

a. The Insured shall give immediate notice to the Company of any illness of or accident to or death of any pedigreed animal described in the Schedule and shall at his/her own expense immediately provide for adequate attendance and treatment by a veterinary surgeon and when required shall furnish a report by the attending veterinary surgeon

on the condition of the pedigreed animal;

b. the Insured shall at all times use and exercise all due and reasonable care and safeguard against loss or danger of loss and shall comply with all reasonable regulations and directions given by the Company or by a veterinary surgeon employed by the Company;

c. on the death of any pedigreed animal described in the Schedule the Insured shall immediately give notice thereof to the Company and shall give the Company the opportunity of inspecting the carcass by not cutting or disposing of such carcass before expiry of a minimum period of 24 (twenty four) hours after such notice has been received by the Company. The Insured at his/her own expense shall within 14 (fourteen) days after being requested so to do furnish the Company with such information accompanied by such veterinary certificates and satisfactory proof as to death, identity and value of the pedigreed animal as the Company may require. The burden of proving that an insured pedigreed animal has not died from an excluded cause as described in this Section shall rest upon the Insured;

d. If the claim be admitted the Insured shall dispose of the carcass to the best advantage and the amount realised shall belong to the Company.

3. Condition of Animals

Pedigreed animals described in the schedule must all be sound and healthy and free from injuries at the commencement of this insurance

4. First amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

SPECIFIC EXCEPTIONS SUB-SECTION B

The Company shall not be liable for loss or damage caused by or arising from:

1. theft or any attempt thereat or from straying;
2. accidental plant poisoning or poisoning arising out of feeding and/or watering and/or dipping except to the extent of 65% (sixty five percent) of the Sum Insured;
3. unfitness for or incapacity to fulfil the functions or duties for which the pedigreed animal is kept;
4. actions performed for the Insured by independent contractors or liabilities assumed by the Insured by contract or agreement;
5. damage to or loss of pedigreed animals not belonging to or held in trust by or in custody or under the control of the Insured or any employee or agent of the Insured;
6. confiscation, requisition or detention of any pedigreed animal by order of any statute, government or public authority;
7. risks of contraband or illegal transportation or trade;
8. destruction in compliance with the requirements of any statute or any order of a government department or local authority;
9. transit by air or sea;
10. accident or disease sustained or contracted elsewhere than in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
11. accident or disease sustained or contracted during transit by air or by sea;
12. the intentional slaughter or destruction of pedigreed animals whether by or under order of any government or public or local authority or any person or body having jurisdiction in the matter or otherwise;

Provided that:

the Company will not invoke this particular exception as a defence where:

- a. the Company shall have expressly agreed to destruction of the pedigreed animal; or
- b. an insured pedigreed animal suffers an injury or is affected with an excessively painful disease and a qualified veterinary surgeon appointed by the Company certifies that it is incurable and so excessive that immediate destruction is imperative for humane reasons; or
- c. an insured pedigreed animal suffers an injury and a qualified veterinary surgeon appointed by the Insured shall first have given a certificate that the suffering of the pedigreed animal is incurable and so extensive that immediate destruction is imperative for humane reasons without waiting for the appointment of a veterinary surgeon by the

Company;

13. red water fever;

14. heart water fever;

15. gall sickness;

16. pulpy kidney;

17. blue tongue;

18. any tick-borne disease manifesting itself within 30 (thirty) days of the inception of the Policy;

19. consequential loss however this may arise;

20. liability to third parties;

21. loss or damage incurred in transit while any vehicle is being driven by:

a. the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;

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

any driver shall be deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under the territorial limits of this Section, or if non-compliance with any licensing law is solely because of failure to renew any license subject to periodic renewal, or if a license is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners;

22. trampling or suffocation resulting in death or destruction of pedigreed animals whilst in transit in or on any means of conveyance (irrespective of the type of transit cover).

ENDORSEMENTS APPLICABLE TO SUB-SECTION B IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Impotency of pedigreed bulls or pedigreed rams as a result of accident only

Prior to the commencement of cover and any subsequent term of insurance following thereupon in terms of this Extension it shall be a condition that a fertility certificate issued by a qualified veterinary surgeon be obtained and submitted to the Company and such fertility certificate must be obtained within 60 (sixty) days prior to the commencement of cover. If during the period of insurance the pedigreed bull or pedigreed ram described in the Schedule be proved by production of satisfactory evidence and certificates to be permanently impotent or infertile as a result of an injury caused by visible violence as a result of an external accident and sustained during the period of insurance the Company shall after a period of 3 (three) calendar months has elapsed from the date of notification of the impotency or infertility make good the difference between the sum realised by the disposal of the pedigreed bull or pedigreed ram and the amount insured as stated in the Schedule;

Provided that: the Company shall not be liable for:

a. any claims in respect of consequential loss however this may arise;

b. any claims in respect of pedigreed rams younger than 6 (six) months or older than 4 (four) years.

2. Impotency of pedigreed bulls or pedigreed rams as a result of accident and/or illness.

Prior to the commencement of cover and any subsequent term of insurance following thereupon in terms of this Extension it shall be a condition that a fertility certificate issued by a qualified veterinary surgeon be obtained and submitted to the Company and such fertility certificate must be obtained within 60 (sixty) days prior to the commencement of cover. Should the pedigreed bull or pedigreed ram described in the Schedule be proved by production of satisfactory evidence and certificates to be permanently impotent or infertile as a result of an injury caused by visible violence as a result of an external accident or as a result of illness and sustained during the period of insurance

the Company shall after a period of 3 (three) calendar months has elapsed from the date of notification of the impotency or infertility make good the difference between the sum realised by the disposal of the pedigreed bull or pedigreed ram and the amount insured as stated in the Schedule; Provided that: the Company shall not be liable for:

- a. any claims in respect of consequential loss however this may arise;
- b. any claims in respect of pedigreed rams younger than 6 (six) months or older than 4 (four) years.

3. Red Water Fever

Specific Exception (13) of this Section is cancelled.

4. Heart Water Fever

Specific Exception (14) of this Section is cancelled.

5. Gall Sickness

Specific Exception (15) of this Section is cancelled.

6. Pulpy kidney (ENTEROTOXAEMIA)

Specific Exception (16) of this Section is cancelled provided that the particular pedigreed animal has been inoculated against this illness within the 6 (six) months prior to the death thereof provided further that the serum has been correctly stored and used as prescribed in the directions of use.

7. Blue Tongue

Specific Exception (17) of this Section is cancelled provided that the particular pedigreed animal has been inoculated against this illness within the 12 (twelve) months prior to the death thereof and provided further that the serum has been correctly stored and used as prescribed in the directions of use. Memo applicable to endorsements 6 & 7: It shall be a condition prior to the admitting of a claim under this Section that proof of inoculation in the form of a certificate signed by a veterinary surgeon or if the Insured has administered the inoculation himself/herself a certificate signed by the Insured and counter signed by a neighbouring farmer shall be received by the Company immediately after the administration of the inoculation and prior to the occurrence of a claim.

8. Plant Poisoning

Specific Exclusion (2) 65% (sixty-five per cent) is cancelled and increased to 100% (one hundred per cent).

9. Riot and Strike

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

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

10. Emergency Feeding

At the payment of an additional premium the cover under this Section is extended to include emergency feeding cover following a veld fire which destroyed the natural feeding of the insured livestock (including pedigreed animals) up to the sum insured as stated in the schedule;

Provided that:

The Company shall not be liable for loss or damage to the natural feeding if:

- a. the surface of natural feeding varies between 0 up to 1 000 hectares and the destruction of natural feeding as a result of a veld fire is not at least 50% or more;
- b. the surface of natural feeding varies between 1 001 up to 5 000 hectares and the destruction of natural feeding as a result of a veld fire is not at least 35% or more;
- c. the surface of natural feeding is more than 5 001 hectares and the destruction of natural feeding as a result of a veld fire is not at least 25% or more;
- d. the Insured or any employee of the Insured in the process of preparing any firebreak which resulted in an uncontrolled veld fire causing the destruction of natural feeding;
- e. the Insured or any employee of the Insured in the process of maintaining any existing firebreak which resulted in an uncontrolled veld fire causing the destruction of natural feeding.

SUB-SECTION C: LIMITED COVER GAME

DEFINED EVENTS

Death of the insured animal caused by fire, lightning or explosion.

First amount payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

SPECIFIC EXCEPTIONS SUB-SECTION C GAME

1. The Company shall not be liable for loss or damage caused by or arising from:
 1. theft or any attempt thereof or from straying;
 2. frostbite, poisoning of any kind or strange objects in the alimentary canal of any of the game, erroneous feeding or erroneous dosage whether malicious or by accident;
 3. attack by dogs or wild animals;
 4. actions performed for the Insured by independent contractors or liabilities assumed by the Insured by contract or agreement;
 5. damage to or loss of game not belonging to or held in trust by or in custody or under the control of the Insured or any employee or agent of the Insured;
 6. any disease, ailment or condition in any animal described in the schedule, carcass or product thereof which may spread, contaminate or otherwise injure;
 7. confiscation, requisition or detention of any game by order of any statute, government or public authority;
 8. risks of contraband or illegal transportation or trade;
 9. destruction in compliance with the requirements of any statute or any order of a government department or local authority;
 10. transit by rail or by road;
 11. accident or disease sustained or contracted elsewhere than in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
 12. accident or disease sustained or contracted during transit by rail or by road;
 13. the intentional slaughter or destruction of game whether by or under order of any government or public or local authority or any person or body having jurisdiction in the matter or otherwise;
 14. consequential loss however this may arise;
 15. liability to third parties;
 16. as a result of panic, whether such panic is a direct result of fire, lightning or explosion or not.
 17. trampling or suffocation resulting in death or destruction of pedigreed animals whilst in transit in or on any means of conveyance (irrespective of the type of transit cover).

SECTION 34: SINGLE TRANSIT LIVESTOCK, PEDIGREED ANIMALS AND GAME

DEFINED EVENTS

The insurance under this Section is limited to death during the period of insurance of all livestock, any pedigreed animals and game as specified in the Schedule as a result of fire, lightning, flood, collision or overturning of the conveyance including loading and unloading; Provided that: the liability of the Company in respect of all loss or damage arising from any single occurrence or series of occurrences resulting from or attributable to any single source or original cause shall not exceed the limit of indemnity stated in the Schedule against such livestock, pedigreed animals, or game.

EXTENSIONS

1. Fire Extinguishing Charges

If the property described in the Schedule is destroyed or damaged by fire whilst in course of transit insured by this Section the Company will in addition to indemnifying the Insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire, subject to a maximum limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

2. Debris Removal

The insurance under this Section includes costs necessarily incurred by the Insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a maximum limit of R10 000 (ten thousand rand) or the limit stated in the Schedule, whichever is the greater, in respect of any one Defined Event.

SPECIFIC CONDITIONS

1. Condition of Animals

It is warranted that the livestock, pedigreed animal(s) or game described in the Schedule are all in good condition and free from any injury or illness at the commencement of this insurance.

2. Period of Transit

Transit shall be deemed to commence with the loading on any means of road conveyance (including carrying goods thereto) and continue during transportation to the consignee and temporary storage during the course of the journey and to end with the delivery including unloading of the property at destination.

3. Refusal of Receipt

If any consignee shall refuse to accept property dispatched by the Insured, then transit shall be deemed to continue and the insurance in respect of such property shall remain in force until the property is delivered at the premises of the Insured; Provided that: the Insured shall take all reasonable steps to ensure that the property is returned to him/her as soon as is reasonably possible.

4. Other means of Conveyance

Where the means of conveyance is by specified vehicle(s) the insurance by this Section shall apply to property in or on any vehicle temporarily used in place thereof whilst the specified vehicle is undergoing repair or servicing; Provided that: such replacement vehicle is not the property of the Insured nor leased or hired by him/her under a lease or hire purchase agreement except when hired for such period as is necessary for repair or servicing of the means of conveyance.

5. Breakdown of Means of Conveyance

In the event of breakdown during transit of the means of conveyance or if for any reason beyond the Insured's control the property is endangered nothing contained herein shall debar the utilization of any other form of transport to assist completion of the transit and the insurance afforded shall not be prejudiced thereby.

6. Notification of Claim

Notwithstanding anything to the contrary contained in General Condition 7:

a. the Insured shall give immediate notice to the Company of any illness of or accident to any livestock, pedigreed

- animal or game described in the Schedule and shall at his/her own expense immediately provide for adequate attendance and treatment by a veterinary surgeon and when required shall furnish a report by the attending veterinary surgeon on the condition of the livestock, pedigreed animal or game;
- b. the Insured shall at all times use and exercise all due and reasonable care and safeguard against loss or danger of loss and shall comply with all reasonable regulations and directions given by the Company or by a veterinary surgeon employed by the Company
- c. on the death of any livestock, pedigreed animal or game described in the Schedule the Insured shall immediately give notice thereof to the Company and shall give the Company the opportunity of inspecting the carcass by not cutting or disposing of such carcass before expiry of a minimum period of 24 (twenty-four) hours after such notice has been received by the Company;
- d. The Insured at his/her own expense shall within 14 (fourteen) days after being requested so to do furnish the Company with such information accompanied by such veterinary certificates and satisfactory proof as to death, identity and value of the livestock, pedigreed animal or game as the Company may require. The burden of proving that an insured livestock, pedigreed animal or game has not died from an excluded cause as described in this Section shall rest upon the Insured. If the claim be admitted the Insured shall dispose of the carcass to the best advantage and the amount realised shall belong to the Company.

7. First amount Payable

The Insured shall be responsible for the compulsory first amount payable as stated in the Schedule.

SPECIFIC EXCEPTIONS

The Company shall not be liable in respect of loss or damage resulting directly or indirectly from or caused by:

- a. destruction in compliance with the requirements of any statute or any order of a government department or local authority;
- b. accident or disease sustained or contracted elsewhere than in the Republic of South Africa, Namibia, Lesotho,] Botswana, Swaziland, Zimbabwe, Malawi and Mozambique;
- c. accident or disease sustained or contracted during transit by air or by sea;
- d. the intentional slaughter or destruction of livestock, pedigreed animals and game whether by or under order of any government or public or local authority or any person or body having jurisdiction in the matter or otherwise;

Provided that:

the Company will not invoke this particular Exception as a defense where:

- i. the Company shall have expressly agreed to destruction of the live-stock, pedigreed animals, game; or
- ii. insured livestock, pedigreed animal or game suffers an injury or in the case of pedigreed animals only, is affected with an excessively painful disease and a qualified veterinary surgeon appointed by the Company certifies that it is incurable and so excessive that immediate destruction is imperative for humane reasons; or
- iii. livestock, insured pedigreed animal or game suffers an injury or in the case of pedigreed animals only, is affected with an excessively painful disease and a qualified veterinary surgeon appointed by the Insured shall first have given a certificate that the suffering of such livestock, pedigreed animal or game is incurable and so extensive that immediate destruction is imperative for humane reasons without waiting for the appointment of a veterinary surgeon by the Company; Provided that:

In all such cases of i, ii or iii above the Company shall be given the opportunity of having a postmortem examination carried out by their veterinary surgeon should they so desire;

e. death directly or indirectly caused by or in consequence of:

- i. any surgical operation unless conducted by a qualified veterinary surgeon and is certified by him/her to have been necessitated solely by accident, disease or illness and to have been carried out in an attempt to preserve the livestock, pedigreed animal's or game life;
- ii. the administration of any medication unless by a qualified veterinary surgeon (or experienced personnel directed by him/her) and certified by a veterinary surgeon to have been of a prophylactic nature or necessitated by accident, disease or illness. As used herein "medication" includes any drug, hormone, vitamin, protein or other substance other

- than unadulterated food or water;
- f. consequential loss however this may arise;
- g. liability to third parties;
- h. theft;
- i. loss or damage incurred in transit while any vehicle is being driven by:
- i. the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken; in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
 - ii. the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken; in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of the Insured exceeds the statutory limit at the time of the occurrence or while not licensed to drive such vehicle;
 - iii. any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself/herself) or while the blood alcohol percentage of such person exceeds the statutory limit at the time of the occurrence or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles; Provided that: any driver shall be deemed to be licensed to drive the vehicle if he/she is complying with the licensing laws relating to any of the territories referred to under the territorial limits of this Section, or if non-compliance with any licensing law is solely because of failure to renew any license subject to periodic renewal, or if a license is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners;
- j. loss of or damage to the insured property consequent upon Hijacking or any attempt thereat;
- k. trampling or suffocation resulting in death or destruction of livestock, pedigreed animals or game whilst in transit in or on any means of conveyance (irrespective of the type of transit cover).

ENDORSEMENTS IF STATED IN THE SCHEDULE TO BE INCLUDED

1. Transit Full Cover

The Company shall indemnify the Insured in respect of loss of or damage resulting from death of the insured property described in the Schedule, the property of the Insured whilst in transit or within 14 (fourteen) days thereafter as a result of an accident, or in the case of pedigreed animals only, due to illness sustained or contracted during the transit in or on any means of conveyance by road caused by any accident or misfortune not otherwise excluded; Provided that: the liability of the Company in respect of all loss or damage arising from any single occurrence or series of occurrences resulting from or attributable to any single source or original cause shall not exceed the limit of indemnity stated in the Schedule against such livestock, pedigreed animals, or game.

2. Hijacking

At the payment of an additional premium Specific Exception (j) of this Section is cancelled and cover is extended to include loss of or damage to the property as stated in the Schedule as a result of Hijacking but limited to the sum insured stated in the Schedule in respect of any single occurrence; Provided that:

The Insured shall be responsible for the Compulsory First Amount Payable as stated in the Schedule.

3. Riot and Strike

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

- a. civil commotion, labor disturbances, riot, strike or lockout;
- b. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with

any occurrence referred to in (1) above;

This Extension does not cover:

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

SECTION 35: SPRAY IRRIGATION SYSTEMS ON WHEELS AND CENTER PIVOTS

SUB-SECTION A – COMPREHENSIVE

DEFINED EVENTS

Loss or damage to the system described in the schedule and its accessories and spare parts whilst thereon. The Company will also pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the prior consent of the Company to the extent of but not exceeding R15 000 (fifteen thousand rand) over and above the amount of the first amount payable for which the Insured is responsible under this Sub-Section following loss or damage caused by an insured peril insured by this Sub-Section, provided that a detailed estimate is first obtained and immediately forwarded to Company.

BASIS OF INDEMNITY

1. If the system can be repaired the Company will pay the cost of restoration to the working order based on the customary daily rates of wages in the district and normal freight, erection and custom dues.
2. If the system is totally destroyed the limit of indemnity for each system as stated in the schedule shall be the maximum amount payable by the Company in respect of such loss or damage.
3. The Company may at its option repair, reinstate or replace any damaged system or pay the amount of the damage in cash;

Provided that:

- a. the sum insured of each system specified in the schedule shall at all times be equal to the new replacement value including dismantling, re-erection and freight expenses;
- b. where damage is restricted to a part or parts of any system the Company will not pay a greater amount than the value of the part or parts allowed for in the sum insured plus dismantling re-erection and freight expenses;
- c. if at the time of loss or damage to a system described in the schedule the sum insured is lower than the new replacement value then the Insured will be considered to be his/her/their own insurer for the difference and will bear a ratable share of the loss or damage accordingly. Every system will be separately subject to this Condition;
- d. in the event of any part, accessory or fitment needed to replace damage or the system being unprocurable in the Republic of South Africa as a standard (ready manufactured) article, the liability of the Company shall be met by the payment of a sum equaling the value of such part, accessory or equipment at the time of loss or damage but not exceeding the manufacturer's latest price list as well as import cost for such part, accessory or equipment;
- e. if, to the knowledge of the Company, the system 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.

EXTENSIONS TO SUB-SECTION A

1. Wreckage Removal

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the Insured in respect of the clearing up and removal of debris and wreckage of any insured system following damage to such system by a Defined Event, provided that, in addition to the limit of indemnity under Sub-Section A of this Section, the limit of the Company's liability under this Extension shall not exceed, in respect of any one occurrence, the amount of R15 000 (fifteen thousand rand) or the limit stated in the Schedule whichever is the greater.

2. Credit Shortfall

If any total loss settlement under Sub-Section A is less than the amount owing to the financier under a current instalment sale or lease agreement, the Company will pay to the Insured an additional amount equal to the shortfall up to a maximum of R50 000 (fifty thousand rand) less:

1. any arrears instalments or rentals including interest payable on such arrears;
- 2 all refunds of premium for cancellation of any insurance cover relating to the system;
3. the increased instalments or rental that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled;

4. the First Amount Payable under Sub-Section A;

Provided that:

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

3. Damage to Tyres

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

Provided that:

- a. the liability of the Company is limited to a maximum of R10 000 (ten thousand rand) per tyre unless the value per tyre which exceeds R10 000 (ten thousand rand) is stated in the Schedule;
- b. the Insured shall be responsible for the Compulsory First Amount Payable as stated in the Schedule;
- c. the Insured shall at his own expense have all damage and wear and tear assessed by one or more reputable retreaders to assess whether a tyre can be repaired or not and what the extent of wear and tear is.

SPECIFIC EXCLUSIONS TO SUB-SECTION A

The Company shall not be liable to pay for:

- a. consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a Defined Event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages;
- b. damage to tyres by road punctures, cuts or bursts;
- c. detention, confiscation or requisition by customs or other officials or authorities;
- d. any compulsory first amount payable by the Insured as stated in the schedule.

SUB-SECTION B – FIRE

DEFINED EVENTS

Loss or damage to the whole or part of the system described in the schedule by:

1. Fire;
2. Lightning or thunderbolt;
3. Explosion;
4. Earthquake; Damage caused by earthquake but excluding loss or damage caused in the underground workings of any mine.
5. Special perils: Damage caused by:
 - a. storm, wind, water, hail or snow excluding damage to the system:
 - i. arising from it undergoing any process necessarily involving the use or application of water;
 - ii. caused by tidal wave originating from earthquake or volcanic eruption;
 - b. aircraft and other aerial devices or articles dropped there from;
 - c. impact by animals, trees, aerials, satellite dishes or systems excluding damage to such animals, trees, aerials, satellite dishes or systems or property in or on such systems. Special perils do not cover the following:
 - a. wear and tear or gradual deterioration;
 - b. the Insured's failure to take reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.
6. Malicious damage: Damage directly occasioned by or through or in consequence of the deliberate or willful or wanton act of any person committed with the intention of causing such damage other than damage to:
 1. movable property which is:
 - a. stolen;

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

This extension does not cover:

- a. damage related to or caused by fire or explosion;
- b. consequential or indirect damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- c. damage resulting from total or partial cessation of work the retarding or interruption or cessation of any process or operation;
- d. damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;

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

SUB-SECTION C – LIABILITY TO THIRD PARTIES

DEFINED EVENTS

Any accident caused by or through or in connection with any system described in the Schedule or in connection with the loading and/or unloading of such system in respect of which the Insured becomes legally liable to pay all sums including claimant's costs and expenses in respect of:

1. Death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the Insured arising from and in the course of such employment or being a member of the same household as the Insured;
2. Damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the insured. The Company will also, in terms of and subject to the limitations of and for the purposes of this Sub-Section;
3. Pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this Sub-Section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this Sub-Section, provided that the total of the Company's liability under both this Extension and Sub-Section B shall not exceed the limit of indemnity stated to apply to Sub-Section B.
4. Indemnify any person who operates or controls such system on the Insured's order or with the Insured's permission; Provided that:
 - a. such person shall, as though he/she/they were the Insured, observe, fulfil and be subject to the Terms, Exceptions and Conditions of this insurance in so far as they can apply;
 - b. such person operating or controlling such system has not been refused any motor insurance or continuance thereof by any insurer;
 - c. indemnity shall not apply in respect of claims made by any member of the same household as such person;
 - d. such person is not entitled to indemnity under any other Policy except in respect of any amount not recoverable hereunder.

SPECIFIC EXCEPTIONS TO SUB-SECTION C

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

1. so much of any compensation or claim as falls within the scope of any Compulsory Motor Vehicle Insurance Enactment. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been affected;

2. death of or injury to any person being carried in or upon or entering or getting onto or alighting from such system at the time of the occurrence of the event from which any claim arises;
3. liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the system) of any tool or plant forming part of or attached to or used in connection with a system or anything manufactured by or contained in any such tool or plant.

LIMITS OF INDEMNITY

Unless otherwise stated in the schedule, the liability of the Company under this Sub-Section in respect of any one occurrence shall not exceed R2 500 000 (two million five hundred thousand rand).

DEFINITIONS

1. Occurrence

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

2. System

The term system shall mean;

1. irrigation systems on wheels (with any form of propulsion); and
2. centre pivots; including:
3. fixtures and fittings attached thereto or thereon as supplied by the manufacturer as standard fixtures and fittings consisting out of the centre point including the control box (panel), each tower with their fixtures and fittings (electric cabling, sprayers heads, electrical motors & gearboxes as well as the micron switches) and the overhang. Excluding underground pipelines, cables and harnesses, transformers, compressors- and impeller systems, step up motors, pumps and similar equipment related thereto beneath or on the ground.

All additional electrical cabling from the control box to the ESCOM power supply as well as the electrical motor and water pump plus the underground pipes lines from the water supply to the system have to be specified separately with their own individual sums insured.

EXTENSIONS TO SUB-SECTIONS A & B

1. Fire Extinguishing Charges

Any costs relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided that the Insured is legally liable for such costs and the insured property was in danger from the fire up to a maximum of R10 000 (ten thousand rand).

2. Riot and Strike (if stated in the Schedule to be included)

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

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

damage is not covered by this Section, the burden of proving the contrary shall rest on the Insured

SPECIFIC CONDITIONS APPLICABLE TO THE ENTIRE SECTION

1. Description of Use

Systems used by the Insured exclusively for farming purposes for own use only. The indemnity to the Insured in connection with any system shall be operative whilst such system is in the custody or control of a member of the motor trade for the purpose of overhaul, upkeep or repair excluding hiring.

2. Maintenance of System

The Insured or anyone acting on behalf of the Insured and/or any person operating and/or controlling the system with the knowledge and consent of the Insured or anyone acting on behalf of the Insured shall take all reasonable steps to safeguard any system described in the Schedule from loss or damage and to maintain it in an efficient condition and also make sure that regular maintenance inspections are carried out on such systems to ensure the effective functioning thereof;

Provided that:

- a. the Company shall at all times have free access to examine such system. In the event of any accident or break down such system shall not be left unattended without proper precaution being taken to prevent further damage or loss and if such system be used before the necessary repairs are effected any increase of the damage or further damage to such system shall be entirely at the Insured's own risk;
- b. the name of the manufacturer must in all cases be submitted to the Company before commencement of cover.

3. 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.

4. Cross Liabilities

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

5. Premium Adjustment

If a system insured hereunder is disposed of and another system substituted in place thereof during the currency of this Section no adjustment of premium shall be made; Provided that: The insured values and extensions applicable to the systems concerned do not differ. If the values insured increase or decrease with the replacement and extensions are added or deleted, then the premium will be adjusted accordingly.

6. War

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

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



Vantage Point Underwriting Managers is an authorised Financial Services Provider

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