The Insured has applied by a proposal and declaration, which shall be the basis of this contract and is incorporated herein, for the insurance provided hereby.

Subject to the terms, Exceptions and Conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of the Insured and receipt thereof by or on behalf of the Company, the Company specified in the Schedule agrees to indemnify or compensate the Insured by payment or, at the option of the Company, by replacement, reinstatement or repair in respect of the Defined Events occurring during the Period of Insurance and as otherwise provided under the within Sections up to the Sums Insured, Limits of Indemnity, compensation and other amounts specified.

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

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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 aforesaid

(ii) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war

(iii)

(a) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege

(b) insurrection, rebellion or revolution

(iv) any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence

(v) any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public or any Section thereof

(vi) any attempt to perform any act referred to in General Exception A (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 General Exception A (i), (ii), (iii), (iv), (v) or (vi) above.

If the Company alleges that, by reason of General Exception A (i), (ii), (iii), (iv), (v), (vi) or (vii) of this General 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 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 cause or event contributing concurrently or in any sequence to the loss, damage or expense.

For the purpose of this General Exception 1 (C) an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any 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 General Exception 1 (C) of this Exception, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

2. Nuclear

Except as regards the Fidelity, Personal Accident Assault and Personal Accident Sections

(i) this Policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by or contributed to or arising from

(a) ionising or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel

(b) nuclear material, nuclear fission or fusion, nuclear radiation
2. **General Exceptions**

   (c) nuclear explosives or any nuclear weapon
   (d) nuclear waste in whatever form

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

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

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

3. **Computer losses**

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

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

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

   (i) to treat any date as the correct date or true calendar date, or 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 Trojan horse, time or logic bomb or worm or any other destructive code, media or programme or interference.

   A computer includes any computer, data processing equipment, microchip, integrated circuit or similar device in computer hardware 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.

4. **Asbestos**

   Applicable to the Public Liability Section, Employers’ Liability Extension and Sub-Section D (Liability) of the Buildings Combined Section.

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

Subject to the Provisions of Section 55 of the Short-term Insurance Act No. 55 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. Other insurance

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

3. A. Cancellation

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

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

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

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

(a) each third

(b) each sixth or

(c) each twelfth calendar month

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

4. Adjustment of premium

If the premium for any Section of this Policy has been calculated on any estimated figures, the Insured shall, after the expiry of each Period of Insurance, furnish the Company with such particulars and information as the Company may require for the purpose of recalculation of the premium for such period. Any difference shall be paid by or to the Insured as the case may be subject to any minimum premium.

5. Prevention of loss

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

6. Claims

(a) On the happening of any event which may result in a claim under this Policy the Insured shall, at their own expense

   (i) give notice thereof to the Company upon discovery of the loss and provide particulars of any other insurance covering such events as are hereby insured

   (ii) as soon as practicable after the event inform the police of any claim involving theft or (if required by the Company) loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property.
(iii) within 30 (thirty) days upon discovery of the loss submit to the Company full details in writing of any claim

(iv) give the Company such stock records, proofs, information and sworn declarations as the Company may require within 60 (sixty) days of discovery of loss or as otherwise agreed to by the Company

(v) forward to the Company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.

(b) No claim (other than a claim under the Business Interruption, Fidelity, Personal Accident Assault or the Personal Accident Sections, if applicable) shall be payable after the expiry of six (6) months or such further time as the Company may allow from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of the Insured’s legal liability to a third party.

(c) No claim shall be payable unless the Insured claims payment by serving legal process on the Company within six (6) months of the rejection of the claim in writing and pursues such proceedings to finality.

(d) If, after the payment of a claim in terms of this Policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, the Insured shall render all assistance in the identification and physical recovery of such property if called on to do so by the Company, provided that the Insured’s reasonable expenses in rendering such assistance shall be reimbursed by the Company. Should the Insured fail to render assistance in terms of this General Condition when called upon to do so, the Insured shall immediately become liable to repay to the Company all amounts paid in respect of the claim.

7. Company’s rights after an event

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

(i) take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This General Condition shall be evidence of the leave and licence of the Insured to the Company to do so. The Insured shall not be entitled to abandon any property to the Company whether taken possession of by the Company or not

(ii) take over and conduct in the name of the Insured the defence or settlement of any claim and prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the Insured without the written consent of the Company.

(b) The Insured shall, at the expense of the Company, do and permit to be done all such things as may be necessary or reasonably required by the Company for the purpose of enforcing any rights to which the Company shall be, or would become, subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification.

(c) In respect of any Section of this Policy under which an indemnity is provided for liability to third parties, the Company may, upon the happening of any event, pay to the Insured the Limit of Indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the Company shall thereafter not be under further liability in respect of such event.

8. Fraud

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

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

In consideration of Sums Insured not being reduced where appropriate by the amount of any loss, the Insured shall pay additional premium on the amount of the loss from the date thereof or from the date of reinstatement or replacement (whichever is the later) to expiry of the Period of Insurance.
10. Breach of Conditions

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

11. No rights to other persons

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

12. Collective insurances

If this insurance is a collective insurance then the following amendment is made to General Condition 6(a) (iv) and (v) above.

“(iv) give the Leading Insurer on behalf of the Insurers such stock records, proofs, information and sworn declaration as the Insurers may require within 60 (sixty) days of discovery of loss or as otherwise agreed to by the Company

(v) forward to the Leading Insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.”

and General Condition 7 is substituted by the following

“7. 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 General Conditions of this Policy,

(i) take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This General Condition shall be evidence of the leave and licence of the Insured to the Lead Insurer on behalf of all Insurers to do so. The Insured shall not be entitled to abandon any property to the Insurers whether taken possession of by the Leading Insurer or not

(ii) take over and conduct in the name of the Insured the defence or settlement of any claim and prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the Insured without the written consent of the Leading Insurer.

(b) The Insured shall, at the expense of the Insurers, do and permit to be done all such things as may be necessary or reasonably required by the Insurers for the purpose of enforcing any rights to which the Insurers shall be or would become subrogated upon indemnification of the Insured whether such things shall be required before or after such indemnification.

(c) In respect of any Section of this Policy under which an indemnity is provided for liability to third parties, the Insurers may, in the case of any event, pay to the Insured the Limit of Indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the Insurers shall thereafter not be under further liability in respect of such event.”

13. Value Added Tax

To the extent that the Insured is accountable to the tax authorities for Value Added Tax in respect of any payment in terms of this Policy, the Company will include the amount of such Value Added Tax in the final settlement of any claim.

It is noted that all First Amounts Payable, Limits of Indemnity, Sums Insured and premiums stated are Value Added Tax inclusive.
14. **Waiver of rights**

In the event of a claim arising under this insurance, the Company agrees to waive any rights, remedies or relief to which they might become entitled by subrogation (but only in excess of the amount recoverable under any other Policy providing an indemnity for liability to third parties) against:

(i) any company standing in relation to the Insured of holding company to subsidiary or controlled company

(ii) any company standing in relation to the Insured of subsidiary or controlled company to holding company

(iii) any company which is a subsidiary or controlled company of the same holding company of which the Insured are themselves a subsidiary or controlled company as defined in the **Companies Act 1973** (as amended).

(iv) any third party to the extent that the right of recovery may have been limited by way of contract entered into between the Insured and such third party.

(v) any directors, members or **Employees** of the Insured and members of their families.

**General Condition 14 (v)** above, shall not apply to any claim related to fraud or dishonesty committed by any director, member or Employee of the Insured and members of their families.

15. **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 Property insured.

16. **First Amount Payable**

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

17. **Surge Protection**

Damage to Property insured, as a result of lightning strikes and/or power surges, whilst not fitted with SABS approved surge protection/s, will attract an additional First Amount Payable as stated in the Schedule.
GENERAL PROVISIONS

Subject to the Provisions of Section 55 of the Short-term Insurance Act No. 55 of 1998 (as amended).

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

2. Members
   Wherever the word “director” is used it includes “member” if the Insured is a close corporation.

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

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

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

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

7. Schedule Sums Insured blank
   If, in a Schedule of this Policy, the Sum Insured, Limit of Indemnity or Compensation is:
   (i) left blank or has no monetary amount stipulated against it
   (ii) reflected as nil or not applicable or not covered or no indemnity extended
   this means the Defined Event or circumstance shown in the Schedule is not insured by the Policy.

8. Accountants Clause
   Any particulars or details contained in the Insured's books of account or other Business books or documents which may be required by the Company under this Policy (other than those required in respect of the Stock 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.

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

10. Sprinkler inoperative Clause
    This insurance shall not be prejudiced in the event of any automatic sprinkler installation being turned off while alterations, additions, repairs, renovations, inspections, testing or the like is or are being undertaken, provided that the Company is notified within seven (7) days thereof.

11. 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 any Section of the Policy.
GENERAL DEFINITIONS

The following terms shall have the specific meanings throughout this Policy unless otherwise defined, to the contrary, in any Section of this Policy:

A. 4 C’s shall mean
   the generally accepted grading system for diamonds and most other precious and semi-precious stones which reflect Caratage, Cut, Clarity and Colour. (Refer Annexure 1)

B. Approbation notes and/or goods shall mean
   documentary proof of goods received by and entrusted to the Insured for formal approval and purchase, whereafter they become own Stock.

C. Average shall mean
   if the total value of the Property insured is, at the time of the happening of any loss or damage by any peril insured against, collectively of greater value than the Sum Insured thereon, the Insured shall be considered as being their own Insurer for the difference and shall bear a rateable share of the loss or damage.

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

To assist you we submit the following formula:

\[
\frac{\text{Policy Sum Insured}}{\text{The actual value of the property}} \times \frac{\text{Value of the loss}}{1} = \text{Claimable amount}
\]

D. Buildings shall mean
   buildings, including all outbuildings thereto (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the Schedule) and sporting and recreational structures, landlord’s fixtures and fittings therein and thereon, walls (except dam walls), gates, posts, fences, and tarred or paved roads, driveways, paths or parking areas.

E. Business Hours shall mean
   During Business Hours shall mean those hours in which the Insured’s premises are normally open for Business and shall also include the period:
   (a) prior to the opening of the Business for trading being the period after the transfer of items from the safe or strongroom to the sales portion of the premises
   (b) following the closure of the Business for trading being the period after the transfer of items from the sales portion of the premises to the safe or strongroom

   providing that at all times during these periods
   (i) the premises are securely locked
   (ii) there are no customers, or potential customers, on the premises
   (iii) customers have no access to the premises.

   Outside Business Hours shall mean outside those hours referred to in ‘during Business Hours’.

F. 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.

G. Computer shall mean
   any computer, data processing equipment, microchip, integrated circuit or similar device in computer hardware 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.
H. **Consignment notes and/or goods shall mean**

documentary proof of goods received by and *entrusted* to the Insured, who sells it on behalf of the legal owner of the goods. Insured collects sale proceeds and remits to legal owner, together with any unsold goods. A percentage of sales revenue is retained by Insured. Insured may be legally liable to insure goods whilst on Insured’s premises.

I. **Customers goods shall mean**

goods *entrusted* by the customer to the Insured for repair or manufacture, excluding goods entrusted solely for safekeeping.

J. **Display Cabinet / Showcase shall mean**

fixtures and/or furniture for the display of *Stock*.
K. **Display Window shall mean**

a window of a store, facing onto the street or walkway, through which Stock for sale on display can be viewed access to which must be restricted by means of locking devices fitted to the doors or windows on the inside of the premises.

(Refer overleaf)
L. **Employee shall mean**
   (a) any person while employed under a contract of service with or apprenticeship to the Insured
   (b) any person while hired or seconded from any other party into the service of the Insured

whom the Insured has the right at all times to govern, control and direct in the performance of their work in the course of the Business of the Insured and if any Section is on a named and/or position basis, is described in the Schedule by name and/or by the position held by them in the Business.

M. **Entrustment notes and/or goods shall mean**
documentary proof of all goods received by and entrusted to the Insured, whether on **approbation**, on **consignment**, or **customers goods**, excluding goods entrusted solely for safekeeping including subsequent documentary proof issued by another party to the Insured, for goods received from the Insured for repair or manufacture.

N. **Medical expenses shall mean**
all reasonable expenses necessarily incurred for artificial aids, protheses, 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 and/or where medical treatment can be given) as a result of bodily injury and incurred within the period as stated in the Policy.
O. Money shall mean
cash, bank and currency notes, cheques, postal orders, money orders, current negotiable postage, revenue and holiday stamps, credit card vouchers and documents, certificates or other instruments of a negotiable nature, the property of the Insured or for which they are responsible.

P. Perimeter Glass shall mean
all glass fitted to the perimeter of the Premises.

Q. Receptacle shall mean
any safe, strongroom, strongbox, till, cash register, cash box or other receptacle for Money, Stock and/or other Property.

R. Retroactive date or cover shall mean
a date or insurance cover prior to inception of this insurance policy.

S. Safes and strongrooms shall mean
Unless otherwise stated in the Schedule to the contrary, the term ‘safe’ and ‘strongroom’ in the singular or plural shall have the following meaning:

Safe. A purposely manufactured receptacle bearing any one of the understated S.A.B.S. markings:

Strongroom. A room with specially reinforced walls, floor and ceiling fitted with a safe type door with the frame built, or secured with tamper-proof bolts, into the reinforced walls. The door must bear any one of the understated S.A.B.S. markings:

S.A.B.S. Grading
S.A.B.S. category 1
S.A.B.S. category 2
S.A.B.S. category 2 HD
S.A.B.S. category 2 ADM
S.A.B.S. category 2 ADM D3
S.A.B.S. category 3
S.A.B.S. category 4
S.A.B.S. category 5

The limit of the Company’s liability in respect of property contained in any such safe or strongroom shall not exceed the limit stated elsewhere in this Policy, or in the Schedule of Protections.
T. **Stock shall mean**
Jewellery, gold, platinum and silver goods, precious metals, pearls, semi-precious and precious stones of any kind whatsoever, watches, clocks, objects d’art, silverware, plateware and all other sale merchandise and materials usual to the Insured's Business, being the Insured's own Stock, approbation or consignment stock and customers goods for which they are legally liable, excluding property entrusted solely for the purpose of safe-keeping.

U. **Superseded Policy or insurance shall mean**
an insurance policy replacing a previous insurance policy.

V. **Temporary total disability shall mean**
total and absolute incapacity from following usual Business or occupation.

W. **Territorial Limits shall mean**
of, or relating to, the geographic area under a given jurisdiction.

X. **Terrorism shall mean**
an act of terrorism including, 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.

Y. **Workmen's compensation enactment shall mean**
the Compensation for Occupational Injuries and Diseases (COID) Act No. 130 of 1993, including any amendments thereto, or any similar Act or legislation operative in any of the territories to which this Policy applies.
GENERAL EXTENSIONS

1. Special Extension to General Exception 3

(A) Loss or destruction of or damage to the Property insured by fire, explosion, lightning, earthquake or by the special perils referred to below or indemnified by the Glass, Personal Accident Assault, Personal Accident or Motor Section and Employers’ Liability Extension is not excluded by this General Exception. The special perils that are not excluded for the purpose of this Special Extension are damage caused by:

1. storm, wind, water, hail or snow excluding damage to property
   (a) arising from its undergoing any process necessarily involving the use or application of water
   (b) caused by tidal wave originating from earthquake or volcanic eruption
   (c) in the underground workings of any mine
   (d) in the open (other than buildings structures and plant designed to exist or operate in the open)
   (e) in any structure not completely roofed
   (f) being retaining walls.

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

3. impact by animals, trees, 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) General Exception 3 also does not apply to consequential loss as insured by any Business Interruption indemnity provided by this Policy to the extent that such consequential loss results from damage to Property insured 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 the Computer Losses General Exception and this Special Extension.

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

2. Claims preparation costs Extension

The insurance by each Section of this Policy is extended to include costs reasonably incurred by the Insured in producing and certifying any particulars or details required by the Company in terms of General Condition 6 or to substantiate the amount of any claim, provided that the liability of the Company for such costs in respect of any one claim shall not exceed, in respect of a particular Section, R 100 000 and in addition any amount stated in the Schedule to each Section against an item for Additional Claim Preparation Costs.

3. Express delivery and overtime Extension

The Company shall indemnify the Insured in respect of any 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 fifty percent (50%) of the amount which the repair or replacement would have cost had these additional costs not been incurred.

4. Malicious damage Extension

Subject otherwise to the terms, Conditions, Exclusions, Exceptions and Warranties contained herein, this Policy is extended to cover loss or damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such loss or damage other than loss or damage to

4.1 movable property which is
   4.1.1 stolen
   4.1.2 damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured
4.2 immovable property owned or occupied by the Insured occasioned by or through or in consequence of
4.2.1 the removal or partial removal or any attempt thereat of
4.2.2 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
provided that this Extension does not cover
4.2.2.1 loss or damage related to or caused by fire or explosion
4.2.2.2 consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured
4.2.2.3 loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation
4.2.2.4 loss or damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority
4.2.2.5 loss or damage related to or caused by any occurrence referred to in General Exception A (i), (ii), (iii), (iv), (v) or (vi) of this Policy or the act of any lawfully established authority in controlling preventing suppressing or in any other way dealing with such occurrence.

If the Company alleges that by reason of proviso 4.2.2.1, 4.2.2.2, 4.2.2.3, 4.2.2.4 or 4.2.2.5 loss or damage is not covered by this Extension the burden of proving the contrary shall rest on the Insured.

If any Building insured or containing the Property insured becomes unoccupied for thirty (30) consecutive days, the insurance in respect of this Extension 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 thirty (30) consecutive days, the Insured shall become Co-insurer with the Company and shall bear a proportion of any loss or damage equal to twenty percent (20%) of the claim before deduction of any First Amount Payable.

5. Riot and strike Extension (Outside South Africa and Namibia)

Subject otherwise to the terms, Conditions, Exclusions, Exceptions and Warranties contained herein, this Policy is extended to cover damage to the Property insured directly occasioned by or through or in consequence of:
(i) civil commotion, labour disturbances, riot, strike or lockout
(ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above

provided that this Extension does not cover:
(a) loss or damage occurring in the Republic of South Africa and Namibia
(b) consequential or indirect loss or damage of any kind or description whatsoever, other than:
   (i) loss of rent if specifically insured
   (ii) as specifically insured in terms of the Business Interruption Section of this Policy
(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) 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 Policy, the burden of proving the contrary shall rest on the Insured.
6. **Temporary repairs and measures after loss Extension**

In addition to the Limit of Indemnity stated in the Schedule the insurances under this Policy are extended to include all reasonable costs and expenses incurred by the Insured in effecting such temporary repairs and by taking such temporary measures as may be reasonably necessary after loss of or damage to the Property insured by any peril hereby Insured against,

provided that

(i) the Insured is liable to effect repairs, temporary or otherwise,

and

(ii) the Company’s liability shall not exceed the greater of **R 5 000** or the amount stated in the Schedule in respect of any one event.
GENERAL WARRANTIES

1. Protections
Such protections and/or safeguards as may be referred to in the written proposal and declaration or agreed with the Company as being in force and which appear in the Schedule of Protections or any endorsement to the Policy shall not be withdrawn or varied to the detriment of the interest of the Company without the Company’s consent.

2. Keys, duplicate keys and combination locks
All keys and, duplicate keys to the premises, keypad codes and remotes capable of operating the alarms and all keys, duplicate keys and combination details of the locks and codes of safes and strongrooms shall be removed from the premises when such premises are not open for Business.

In addition, all other keys, duplicate keys and other devices used to lock display cabinets, showcases, display windows, cupboards, drawers or the like, shall be:

(a) kept in a locked safe or locked strongroom of the highest grading on the premises outside Business Hours
or

(b) removed from the premises outside Business Hours.

3. Stock records
a) Stock records and books of account
The Insured shall keep, and during the whole currency of the Policy shall continue to keep, a proper and complete set of books, accounts and Stock records which shall record, fully and accurately, all Business transactions, be they for credit, cash or otherwise (hereinafter referred to as “the records”).

b) Supporting documentation
All supporting documentation for all Business transactions shall be kept by the Insured, and such documentation shall include, but is not necessarily limited to, invoices, vouchers, cash slips, bank deposit slips, electronic funds transfer slips, entrustment notes, approbation notes, consignment notes, proofs and explanations.

4. Burglar alarm
All burglar alarm installations at the premises as stated in the Schedule of Protections shall be subject to this warranty. It is a condition precedent to the liability of the Company and warranted that:

(a) the burglar alarm system installer shall be registered with PSIRA (Private Security Industry Regulatory Authority) and SAIDSA (South African Intruder Detection Services Association)

(b) certification shall be provided by such installer confirming that the burglar alarm system installation complies with By-law 25. Notwithstanding any SAIDSA specifications which may apply, arming and/or disarming via remote control without user identification is not permissible under any circumstances whatsoever

(c) the burglar alarm system shall as a minimum include, but not necessarily be limited to, protection devices which cover the internal space of the premises, magnetic contacts on perimeter doors, at least one panic button and an active radio signal and telephone link (where appropriate) to a twenty four (24) hour seven (7) days a week monitoring and armed response service facility. If, following the Company’s risk survey, additional burglar alarm devices or apparatus is required to be installed, such installation shall be carried out within the time limit advised in writing by the Company

(d) the system shall be of such design that the Insured is able to test and confirm that each detection circuit / zone individually and/or the whole burglar alarm system is functioning properly whenever required

(e) external burglar alarm protection devices shall not be connected onto the same detection circuit / zone as any internal space burglar alarm protection devices
(f) the burglar alarm system at the premises shall be armed and made fully operational outside Business Hours, or at any other time during which the premises are left unoccupied

(g) the Insured shall provide proof from the alarm company's control room that the alarm was armed at the time of the intrusion. If the alarm company is unable to provide confirmation that the alarm was armed and the alarm does not register an intrusion to the premises at the alarm company's control room, then no cover will be in force for such loss or damage

(h) routine full system testing of such burglar alarm system shall be conducted on at least a monthly basis by the Insured and, in addition, whenever the ceiling void area (where appropriate) is accessed by any person for whatever reason

(i) such burglar alarm system shall be maintained in proper working order and shall be maintained under a maintenance / service contract with the suppliers or servicing engineers of the alarm system

(j) following any repairs, servicing or maintenance activities undertaken to the burglar alarm installation, regardless of whether at the Insured's premises or from a remote location, the Insured shall activate the burglar alarm system in accordance with the testing procedure during Business Hours on the day the repairs, servicing or maintenance were undertaken

(k) this insurance shall not cover loss of or damage to the Property insured following the use of the keypad codes or remotes of the burglar alarm system or any duplicate thereof belonging to the Insured unless such keypad codes or remotes have been obtained by violence or threat of violence to any person.

General Warranties 4 (c), (f), (h), (i), (j) and (k) shall apply to existing alarm installations only.

5. By-laws and regulations

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

6. Property insured outside South Africa

It is warranted that this Policy shall not cover any Property insured that is permanently domiciled and intended for sale outside the Republic of South Africa, unless the laws of that country allows a registered South African Insurance Company to provide such coverage.

It is also warranted that should any Property insured suffer damage, as insured by this Policy, whilst such property is outside the Republic of South Africa, the Insured shall bear all costs of returning the Property insured into the Republic of South Africa before the Company shall consider processing any claim for damage in terms of this Policy.

All benefits under this policy shall be forfeited if at the time of the loss or damage the Insured fails to comply with any of the General Warranties applicable to any Section of the Policy.
## GENERAL ENDORSEMENT

If the Period of Insurance (other than a first Period of Insurance) is for a period of less than **twelve (12) months** then the following amendments are made to this Policy:

<table>
<thead>
<tr>
<th>Section</th>
<th>Reference</th>
<th>Amendment</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Conditions</td>
<td>Adjustment of premium</td>
<td>The words “each Period of Insurance” are amended to read “each period of <strong>twelve (12) consecutive months</strong> from the inception date or anniversary date”</td>
</tr>
<tr>
<td>Business Interruption</td>
<td>Deposit premium Clause</td>
<td>If the Period of Insurance is more often than quarterly then the words “each Quarter” are amended to “each month”</td>
</tr>
<tr>
<td>Motor</td>
<td>Premium adjustment</td>
<td></td>
</tr>
<tr>
<td>Contents</td>
<td>Capital additions Clause</td>
<td><strong>Proviso 2 v</strong> is added</td>
</tr>
</tbody>
</table>
| Buildings Combined               | Capital additions Clause         | 2 v) The amount payable during any one period of **twelve (12) consecutive months** from inception or anniversary date shall not exceed the Sum Insured stated in the Schedule at the said inception or anniversary date as the case may be (or double the Sum Insured if the “**reduction/reinstatement of the insured amount Clause**” applies)  
If the Sum Insured is increased the **twelve (12) consecutive months** applies from the anniversary date. Any reinstatement between the date of increase and the anniversary date shall not exceed twice the Sum Insured. The words “annual premium” are amended to read “**twelve (12) times** the monthly premium” for policies with monthly periods of insurance and “four times the quarterly premium” or “twice the bi-annual premium” for policies with quarterly or half-yearly Periods of Insurance respectively |
| Fidelity                         | Defined Events                   |                                                                                                                                                                                                                                                                                                                                               |
| Reduction/Reinstatement of Insured amount Clause |                                      | The words “any one (annual) Period of Insurance” are amended to read “any one period of **twelve (12) consecutive months** from inception date or anniversary date”                                                                                                                                                                                                 |
| Liability                        | Products liability Extension     | The **Claim-Free Groups** or **No Claim Discounts** applicable will be established at inception date and/or anniversary date and the references to “preceding years” mean the relevant period of **twelve (12) consecutive months** preceding such dates                                                                                                                                 |
|                                 | Defective workmanship liability Extension |                                                                                                                                                                                                                                                                                                                                                  |
|                                 | Wrongful arrest and defamation Extension |                                                                                                                                                                                                                                                                                                                                                  |
| Motor                            | No claim rebate Provisions       |                                                                                                                                                                                                                                                                                                                                               |
| Liability Schedule               | Wrongful Arrest and Defamation   | The **Limit of Indemnity** is as stated in the Schedule during any one period of **twelve (12) consecutive months** from inception date or anniversary date                                                                                                                                                                                                 |
STOCK SECTION

NOTE: Please read and understand the requirements of Specific Condition 1 (precedent to the Company’s liability) herein.

Defined Events
Loss of or damage (hereinafter termed loss) to Stock, as herein defined, but excluding any item insurable by any other Section of this Policy, arising from any accident or misfortune not otherwise excluded, being owned by the Insured or for which they are legally responsible, whilst in the Insured’s premises as stated in the Schedule or elsewhere as provided for herein, but excluding property entrusted to the Insured solely for safe custody.

Definitions
The following terms shall have the specific meanings as herein defined:

1. Total Stock Value
   The Insured’s own Stock, approbation or consignment stock and customers goods for which they are legally liable, excluding property entrusted solely for the purpose of safe-keeping.

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

3. Armed robbery
   Loss occasioned by theft by use of violence or threats of violence perpetrated against the Insured or an Employee.

4. Identifiable shoplifting
   Loss following theft by shoplifting. The Insured must, to the satisfaction of the Company, identify the exact event giving rise to the loss. Shoplifting shall mean the surreptitious theft of Stock on display or for sale from the Insured’s premises without the use of force during Business Hours by a customer or a party pretending to be a customer.

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

6. Burglary
   Loss of items not kept in a locked safe or strongroom following theft or any attempt thereat, outside Business Hours, and accompanied by forcible and violent entry into or exit from the Insured’s premises.

7. Smash & grab
   Loss as a result of theft following the breaking of perimeter glass in order to gain access to the display windows of the premises followed by the unlawful and immediate removal of items from the display windows.

8. Snatch & run
   Loss following theft by a party / parties in the Insured’s premises snatching Stock and immediately departing from the premises.

9. Other Theft Losses
   Loss by any identifiable means not excluded herein and not specifically referred to elsewhere in these specific definitions.

10. Stone breakage (Specific Exception 6 is deleted)
    Loss to a semi-precious or precious stone whilst an item of jewellery is in the process of being manufactured, repaired or altered.
11. Exhibition
A public or social event held to promote or sell goods away from the insured premises as stated in the Schedule.

Specific Conditions

1. Number of Employees on duty
It is a condition precedent to the liability of the Company that there are present, in the portion of the premises from which sales are normally conducted, a minimum of two (2) Employees on duty during Business Hours, unless otherwise stated in the Schedule.

2. Total Stock Value Average (Not applicable to theft)
If the Total Stock Value of the Stock insured is, at the time of the happening of any loss or damage by any peril insured against (other than theft), collectively of greater value than the Total Stock Value Sum Insured thereon, the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss. Each item of the Schedule shall be separately subject to this Specific Condition.

   Total Stock Value Sum Insured
   ------------------ X Value of the loss
   Total Stock Value at risk                       1
   = Claimable amount

3. Basis of Valuation
In the event of loss, Stock shall be valued as stated in the Schedule.

   The Insured shall apply this Basis of Valuation in arriving at the Total Stock Value. The Company shall likewise apply this Basis of Valuation to the indemnity provided herein, subject to all the other terms of this Section.

   No other Basis of Valuation shall be used for the purpose of valuing Stock.

4. Safes and strongrooms
The limit of the Company’s liability in respect of Stock contained in any safe or strongroom shall not exceed the limit stated below, or as otherwise stated in the Schedule of Protections.

   S.A.B.S. Grading                  Limit of Company’s liability
   S.A.B.S. category 1               R 25 000
   S.A.B.S. category 2               R 80 000
   S.A.B.S. category 2 HD            R 150 000
   S.A.B.S. category 2 ADM           R 250 000
   S.A.B.S. category 2 ADM D3        R 300 000
   S.A.B.S. category 3               R 500 000
   S.A.B.S. category 4               R 1 000 000
   S.A.B.S. category 5               R 2 500 000

Specific Exceptions
The Company shall not be liable for loss of Stock occurring or resulting from or caused by:

1. theft or burglary from any unlocked display cabinets, showcases, display windows, cupboards, drawers or the like
2. theft or burglary from the premises as stated in the Schedule outside Business Hours unless such theft or burglary is accompanied by forcible and violent entry into or exit of the premises or any attempt thereat or unless as a result of theft or burglary or any attempt thereat following violence or threats of violence
3. theft, burglary, dishonesty or deception committed by:
   (a) the Insured or any principal, partner, director or Employee of the Insured
(b) a customer or any other person in respect of any property entrusted to them by the Insured
whether acting alone or in collusion with others

4. the acceptance of any cheque, credit or charge card or currency or other negotiable instrument which
is subsequently dishonoured for payment or proves uncollectible for any reason whatsoever

5. any fraudulent scheme, trick, device or false pretence practiced on the Insured or any person having
custody of the property

6. stone breakage and/or other loss directly resulting from items being worked upon

7. mysterious or unexplained disappearance or shortage of items, even if only revealed during or after
Stock taking in order to spot check Stock levels or routine taking of an inventory

8. errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information

9. scratching, marring, denting (not affecting the operation of the item concerned), wear and tear or
gradual deterioration

10. mechanical, electronic or electrical derangement breakdown or failure

11. cracking, fracturing, chipping, scratching or breaking whether internal or otherwise of any Stock unless
caused by fire, lightning, explosion, earth tremor, storm, theft or an accident to any vehicle in which the
item is being conveyed

12. any consequential loss, other than as insured by the Business Interruption Section of this Policy

13. a process of cleaning, repair, dyeing, bleaching, alteration or restoration

14. inherent vice, latent or any other defect, vermin, insects, damp, mildew, corrosion or rust

15. detention, forfeiture, confiscation or requisition by customs or other officials or authorities.

The Company shall furthermore not be liable for whatsoever loss:

16. from an unattended vehicle

17. whilst items are being worn or used or are in the custody or control of any person for the purpose of
being worn or used outside the Insured’s premises

18. consigned under a bill of lading

19. whilst at any exhibition.

Extensions and Clauses

1. Non-premises Extension (if stated in the Schedule to be included)
Subject otherwise to the terms, Conditions, Provisions and Warranties of this Section, it is agreed that
Stock as insured, limited to the sums stated in the Schedule, is covered whilst:

1.1 contained in any described locked showcase as stated in the Schedule in which Stock is kept
for display purposes only, situated outside or away from the Insured’s premises

1.2 on the person of and in the physical and personal custody and control of any person authorised
by the Insured and named in the Schedule whilst conveying goods in the course of and in
connection with the Insured’s Business during Business Hours

(a) anywhere in the Republic of South Africa

or

(b) anywhere outside the Republic of South Africa

1.2.1 in any receipted accommodation where the named person is staying temporarily, outside Business Hours, for a period not exceeding seventy two (72) consecutive hours, provided that loss by theft or burglary shall only be
covered if the items were securely locked in a safe or strongroom or kept on the
person of and in the physical personal custody and control of the named person
1.3 in the private dwelling(s) as described in the Schedule, of such persons named in the Schedule, for a period not exceeding seventy two (72) consecutive hours, providing that loss by theft or burglary shall only be covered if the items were securely locked away in a safe or strongroom or protected by any other precautions approved by the Company and noted on the Schedule of the Policy.

1.4 in a bank safe deposit vault

1.5 entrusted to any (a) named or (b) unnamed workshop(s) as stated in the Schedule, including their authorised representative for purposes of conveyance of the items providing that loss by theft or burglary outside Business Hours of such workshop will only be covered if the items are kept in a locked safe or strongroom.

The Limits of Indemnity as stated in the Schedule in respect of this Extension replace the limits stated in Specific Conditions 5.

Cover in terms of items 1.1, 1.2.1, 1.3, 1.4 and 1.5 is subject to loss being accompanied by forcible and violent entry to or exit from said premises, or following violence or threat of violence.

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

Specific Exception 18 is deleted. It is agreed that Stock as insured and consigned under a bill of lading, limited to the sum stated in the Schedule, is covered whilst:

2.1 Postal (within the Republic of South Africa)

contained in any postal package prepared by the Insured which shall mean from the moment that the postal package is signed for by the postal authorities in the Republic of South Africa, to the moment that postal authorities anywhere within the Republic of South Africa receive a receipt for the safe delivery to the consignee of the postal package providing that the package shall not detail the contents or value in any way, nor shall the package identify the names of any Business trading in Stock, the intention being that the package shall not be the target of theft, burglary or tampering by any postal authority, courier service or transport organisation due to the identification marks, or otherwise, stated on the package or accompanying documentation.

Packages are to be insured for no more than R 100 to obtain Track/Trace facilities.

2.2 Courier (within the Republic of South Africa)

in the possession of any courier service employed by the Insured to transport/deliver the Stock to any final destination within the Republic of South Africa, which shall mean from the moment the Stock is signed for by the courier service to the moment that the courier service receives a receipt (or signed ‘goods delivery note’) signed by the consignee providing that the package shall not detail the contents or value in any way, the intention being that the package shall not be the target of theft, burglary or tampering by any courier service or transport organisation due to the identification marks, or otherwise, stated on the package or accompanying documentation.

2.3 Courier (anywhere outside the Republic of South Africa)

in the possession of any organisation employed by the Insured to transport the Stock from the Insured's premises to any consignee anywhere outside the Republic of South Africa, which shall mean from the moment that the transport organisation(s) signs for the Stock to the moment that the transport organisation(s) receives a receipt (or signed ‘goods delivery note’) signed by the consignee providing that whenever legally possible, the package shall not detail the contents or value in any way, the intention being that the package shall not be the target of theft, burglary or tampering by any courier service or transport organisation due to the identification marks, or otherwise, stated on the package or accompanying documentation.
providing also that

(i) the Insured shall pay to the Company any premium required for this Extension prior to this Extension being operative

(ii) the Insured supplies whatever declaration information the Company requires, as stated on the Schedule, and pays to the Company any additional premium required for transits undertaken

(iii) the Company shall not be liable for the First Amount Payable in terms of this Extension

(iv) otherwise subject to the terms, Conditions, Provisions and Warranties of this Section

(v) the requirements of these provisos shall be Conditions precedent to the Company’s liability for any loss suffered.

3. Trauma Extension

Should any person in the Insured’s premises suffer any form of mental or physical trauma following assault or robbery, the Company shall indemnify the Insured for the actual and reasonable costs of all psychological or other medical treatment required by such person, for a maximum period of three (3) months following the assault or robbery, for any amount not exceeding R 10 000 in respect of all such persons and during any one Period of Insurance.

This Extension shall not be payable in addition to any amount recoverable under the Personal Accident Assault or Personal Accident Sections of this Policy.

4. Contingency Extension (Not applicable to theft)

If due to the application of the terms or Conditions applicable to this Section of this Policy the value of the indemnity is reduced, the Company shall, in terms of this Extension, make good the shortfall.

The Company shall not be liable for:

4.1 the First Amount Payable in terms of this Section

4.2 any loss not indemnified in terms of this Section

4.3 the value of any Value Added Tax not indemnified by this Section

4.4 more than the amount stated in the Schedule.

It is understood and agreed that this Extension shall not make good nor contribute to any shortfall arising from the deliberate undervaluation of the Total Stock Value at risk under this Section discovered at the time of any loss, if compared with the Total Stock Value Sum Insured at inception or renewal of this Policy in the current Period of Insurance. This Extension shall only apply to Sums Insured.

5. Escalation Extension

The Company will pay to the Insured the increased claims costs and expenses incurred in reinstating or replacing the Stock as insured, where such increased costs and expenses are incurred:

5.1 beyond the control of the Insured

5.2 between the time of the loss and completion of actual reinstatement or replacement

provided that the Company shall not be liable for more than the percentage stated in the Schedule applicable to these increased claims costs and expenses.

6. Brands and labels Clause

In the event of loss of Stock carrying a brand name, trade mark or label or where the sale of such property in any way carries a guarantee or where the sale of such Stock might have an adverse effect upon the market value of similar property, the Company agrees to remove all such brand names, trade marks, labels or guarantees before disposing of and determining the value of the salvage. It is further agreed that the contents of containers from which the brand name, trademark, label or guarantee cannot be removed, shall be removed to plain containers.

In the event of loss of or damage to labels or names, the indemnity shall be the cost of re-labelling and/or reconditioning the Stock.
7. **Disposal of Salvage Clause**

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

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

8. **Manufacturer’s guarantee or warranty Clause**

In the event of loss of Stock which is the subject of a manufacturer’s guarantee or warranty, the repair, replacement, rectification or reinstatement of such Stock shall include everything necessary to preserve, without limitation, reduction or prejudice, all benefit under such guarantee or warranty.

9. **Skeleton keys Clause**

The insurance under this Section covers loss of Stock caused or accompanied by entry to and/or exit from the premises being effected by the use of a skeleton key (excluding a duplicate key) provided that the Insured shall establish to the satisfaction of the Company that such a skeleton key was used.
CONTENTS SECTION

Defined Events

1. Loss of or damage to the Contents while contained in the premises stated in the Schedule including security systems, tenants improvements and fittings, landlord’s fixtures and fittings, the property of the Insured or for which they are responsible, by any of the perils specified in Sub-Section A (i) or A (ii) as stated in the Schedule
   but excluding:
   1.1 Stock as defined
   1.2 documents as defined in Sub-Section C if insured thereunder
   1.3 computers as defined
   1.4 perimeter glass as defined.
2. Loss of or damage to the whole or part of the Property insured under and defined in Sub-Section C and the consequences thereof insured under and described in Sub-Section D.
3. Loss and/or expenditure described in Sub-Section B.

Sub-Section A (i) Contents

The perils insured herein:

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, hail or snow excluding loss of or damage to property arising from its undergoing any process necessarily involving the use or application of water.
3. Earthquake.
4. Aircraft and other aerial devices dropped therefrom.
5. 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.
6. Theft accompanied by forcible and violent entry into or exit from the premises or any attempt thereat or as a result of theft (or any attempt thereat) following violence or threat of violence.
7. Accidental breakage of internal glass, including mirror glass.

Sub-Section A (ii) Contents

Any accident or misfortune not otherwise excluded.

Limitations Clause

The Company’s liability under Sub-Sections A (i) and A (ii) is restricted in respect of documents, manuscripts, Business books, plans, designs, patterns, models and moulds to the value of materials and sums expended in labour.

Specific condition

Average (not applicable to A (i) 7 above)

If the total value of the Property insured by this Sub-Section is, at the time of happening of any loss or damage by any peril insured against, collectively of greater value than the Sum Insured thereon, the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss or damage.

Each item of the Schedule covering such property shall be separately subject to this Specific Condition.
Sub-Section B  Rent

The Company will pay the amount of rent payable or rental value (as the case may be) defined hereunder in the event of the premises stated in the Schedule being rendered untenantable in consequence of damage by any of the perils specified in Sub-Section A (i) and A (ii).

(a) Rent payable - the actual rent payable by the Insured to the owner or landlord of the said premises.

(b) Rental value - the actual rental value of the said premises.

The Company shall only be liable to pay such amount in respect of the period necessary for reinstatement, which period shall not exceed the time required to place the premises in a tenantable condition.

Payment shall be for any amount not exceeding twenty five percent (25%) of the Sum Insured on the affected property.

For the purpose of this Sub-Section, the term "premises" shall extend to any premises or portion thereof in the vicinity of the premises stated in the Schedule, damage to which prevents or limits access to the Insured's premises.

Sub-Section C  Documents

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

The term documents shall mean:

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

money, current postage or revenue stamps, cancelled and uncancelled coupons, securities, bearer bonds, cheques, drafts and any written order to pay a certain sum in money and any written evidence of indebtedness or obligation, and all property carried or held as samples or for sale or for delivery after sale and computer software and computer data carrying media unless otherwise stated in the Schedule.

Limitations Clause

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

Specific Exceptions (applicable to Sub-Sections A (i) and A (ii))

These Sub-Sections do not cover:

(a) property outside the Territorial Limits stated in the Schedule

(b) designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of Sub-Sections A (i) and A (ii)), samples, motor vehicles and accessories therefore, cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments or securities of any kind or stamps

(c) the First Amounts Payable stated in the Schedule in respect of each and every event (other than loss or damage arising from fire or explosion)

(d) the dishonesty of any principal, partner, director or Employee of the Insured whether acting alone or in collusion with others.
Specific Exceptions (applicable to Sub-Section A (ii))

This Sub-Section does not cover:

1. loss of or damage to property resulting from or caused by
   (a) its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration
   (b) inherent vice, latent defect, vermin, insects, damp, mildew or rust
   (c) detention, confiscation or requisition by customs or other officials or authorities

2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded

3. mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded

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

Specific Exceptions (applicable to Sub-Section C)

This Sub-Section does not cover:

(a) loss of or damage caused by
   (i) electric or electronic or magnetic injury, disturbance or erasure of electronic or magnetic recordings except by lightning in which case the lightning loss or indemnifiable amount will be reduced by the First Amount Payable stated in the Schedule
   (ii) vermin, inherent vice, latent defect or by processing, copying or other work upon the documents
   (iii) the dishonesty of any principal, partner or director of the Insured whether acting alone or in collusion with others. This Exception shall not apply to any director who is also an Employee of the Insured and whom the Insured have the right at all times to govern, control and direct in the performance of their work in the service of the Insured and in the course of the Business

(b) gradual deterioration or wear and tear

(c) costs involved in re-shooting films and videos and re-recording audiotapes.

Sub-Section D  Legal Liability Documents

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

Specific Exception (applicable to Sub-Section D)

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

Clauses and Extensions

Capital additions Clause

The insurance under this Section covers alterations, additions and improvements (but not appreciation in value in excess of the Sum Insured) to the property for an amount not exceeding fifteen percent (15%) of the Sum Insured thereon, it being understood that the Insured undertakes to advise the Company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.
Concealed persons / skeleton keys Clause
The insurance under this Section covers loss of or damage to the Property insured caused or accompanied by
(i) a thief or thieves being concealed upon the Insured premises during Business Hours
(ii) entry to and/or exit from the premises being effected by the use of a skeleton key (excluding a duplicate key) provided that the Insured shall establish to the satisfaction of the Company that such a skeleton key was used.

Locks and keys Clause
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 under this Clause shall not exceed the amount stated in the Schedule.

Receptacles and clothing Clause
The Company will indemnify the Insured in respect of Receptacles and Clothing as defined lost or damaged as a result of theft or attempted theft provided that the Company's liability under this Clause shall not exceed the amount stated in the Schedule.

Removal of debris Clause
The insurance under this Section includes 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 Property insured by any peril hereby insured against, provided that the liability of the Company for such loss or damage and costs and expenses shall not exceed in the aggregate the sum expressed in the Schedule to be insured on the property affected.

The Company will not pay for any costs or expenses:
1. incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site
2. arising from pollution or contamination of property not insured by this Section.

Temporary removal Clause
Except in respect of the personal property of any partner, director or Employee of the Insured, loss of or damage to the Property insured by any peril hereby insured against while such property is temporarily contained in any building within the Territorial Limits stated in the Schedule shall be deemed loss or damage happening while such property is contained in the Insured's premises.

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

Replacement Value Conditions Clause
The basis upon which the amount payable for any claim in respect of Contents is calculated shall be either the replacement of the Contents by similar property in a condition equal to but not better or more extensive than its condition when new or the repair of the Contents to a condition substantially the same as but not better than its condition when new provided that
if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the Contents had been lost, destroyed or damaged beyond repair exceeds the Sum Insured thereon at the time of the loss or damage, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.
**Fire extinguishing charges Extension**

Any costs relating to the extinguishing or fighting of fire shall be deemed damage to the Property insured 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’s property was in danger from the fire.

**Memorandum**

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

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

Defined Events

1. Damage by the perils described
   (a) in Sub-Section A to the Buildings as defined
   (b) in Sub-Section B to public supply connections situate as stated in the Schedule.
2. Loss of rent as provided in Sub-Section C.
3. Legal liability as provided for in Sub-Section D.

Sub-Section A Property

The perils Insured herein:

1. Fire, lightning, thunderbolt, subterranean fire, explosion
2. Storm, wind, water, hail or snow other than
   (a) that arising from its undergoing any process necessarily involving the use or application of water
   (b) wear and tear or gradual deterioration
   (c) loss or damage
      (i) to retaining walls
      (ii) caused or aggravated by
         - subsidence or landslip
         - the Insured’s failure to take all reasonable precautions for the maintenance and safety of the Property insured and for the minimisation of any destruction or damage
3. Earthquake
4. Aircraft and other aerial devices or articles dropped therefrom
5. Impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes, vehicles or property in or on such vehicles
6. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building

If any building insured or containing the Property insured is unoccupied for thirty (30) consecutive days, this peril 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 insurance

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

7. Accidental damage to sanitaryware, but the amount payable will be reduced by R 250 for each and every such damage.

Specific Condition

Average (not applicable to 7 above)

If the Property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly.

Every item, if more than one, shall be separately subject to this Specific Condition.
Sub-Section B  Public supply connections

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

Sub-Section C  Rent

The Company will pay the amount of rent receivable or rental value (as the case may be) defined hereunder in the event of the premises stated in the Schedule being rendered untenantable in consequence of damage by any of the perils specified in Sub-Section A.

(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) Rental value - the actual rental value of the said premises.

The Company shall only be liable to pay such amount in respect of the period necessary for reinstatement, which period shall not exceed the time required to place the premises in a tenantable condition. Payment shall be for any amount not exceeding twenty five percent (25%) of the Sum Insured on the affected property.

For the purpose of this Sub-Section, the term “premises” shall extend to any premises or portion thereof in the vicinity of the premises stated in the Schedule, damage to which prevents or limits access to the Insured’s premises.

Sub-Section D  Liability

Damages for which the Insured shall become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury) or accidental loss of or physical damage to tangible property (hereinafter termed damage) occurring during the Period of Insurance in, on or about the Property insured and arising from the Insured’s ownership thereof.

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

Specific Exceptions (applicable to Sub-Section D)

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

1. injury or damage sustained by
   (a) any member of the same household as the Insured
   (b) any person employed by the Insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the Insured
   (c) any other person resulting from the ownership of or use by or on behalf of the Insured of mechanically propelled vehicles (except pedal cycles and lawnmowers).

2. damage to property
   (a)
      (i) belonging to the Insured
      (ii) in the custody or control of the Insured or any Employee of the Insured
   (b) caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure.

3. liability assumed by agreement unless liability would have attached to the Insured notwithstanding such agreement.
4. (a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination provided always that this Exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.

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

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

5. fines, penalties, punitive, exemplary or vindictive damages.

6. (a) damages in respect of judgments delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland

(b) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in 6(a) above.

Memoranda to Sub-Section D

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

2. Provided that the aggregate liability of the Company is not increased beyond the Limit of Indemnity stated, the Company will also indemnify as though a separate Policy had been issued to each

(a) in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured

(b) any partner or director or member or Employee of the Insured (if the Insured so requests) against any claim for which the Insured are entitled to indemnity under this insurance.

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

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

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

Extensions and Clauses

**Subsidence** and landslip Extension to Sub-Section A (if stated in the Schedule to be included)

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

Damage caused by subsidence or landslip provided that

the Insured shall bear the first portion of each and every claim up to an amount calculated at one percent (1%) of the Sum Insured on the property.

For the purposes hereof, any damage insured shall be deemed to have been caused by fire provided that this Extension does not cover:

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

3. consequential loss of any kind whatsoever except loss of rent.

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.

**Escalator Extension (if stated in the Schedule to be included)**

During each Period of Insurance, the Sum(s) Insured under Sub-Section A of this Section shall be increased by that portion of the percentage specified in the Schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these Provisions shall only apply to the Sum(s) Insured in force at the commencement of the Period of Insurance.

At each renewal date, the Insured shall notify the Company of the sum(s) to be insured for the forthcoming Period of Insurance and the percentage increase required for such period.

**Fire extinguishing charges Extension**

Any costs relating to the extinguishing or fighting of fire shall be deemed damage to the Property insured 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.

**Prevention of access Extension to Sub-Section C**

If property within a ten (10) kilometre 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 twenty five percent (25%) of the Sum Insured on the affected property. The loss of rent calculation will be based on the rent payable immediately preceding the loss or damage or its equivalent rental value.

**Architects’ and other professional fees Clause**

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

**Capital additions Clause**

The insurance under Sub-Section A 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 fifteen percent (15%) of the Sum Insured thereon, it being understood that the Insured undertake to advise the Company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

**Cost of demolition and clearing and erection of hoardings Clause**

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

The Company will not pay for any costs or expenses

1. incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site

2. arising from pollution or contamination of property not insured by this Policy.
Mortgagee Clause

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

Municipal plans scrutiny fee Clause

The insurance under Sub-Section A includes municipal plans scrutiny fees, provided that the total amount recoverable under any item shall not exceed the Sum Insured on the Property insured so affected.

Public authorities' requirements Clause

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

1. the amount recoverable under this Clause shall not include
   (a) the cost incurred in complying with any of the aforesaid regulations
      (i) in respect of damage occurring prior to granting of this Clause
      (ii) in respect of damage not insured by Sub-Section A
      (iii) under which notice has been served upon the Insured prior to the happening of the damage
      (iv) in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically excluded from this insurance) of that portion damaged
   (b) the additional cost that would have been required to make good the property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen
   (c) the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations.

2. the work of repairing or rebuilding must be commenced and carried out with reasonable despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the Company under this Clause not being thereby increased.

3. if the liability of the Company under any item of Sub-Section A apart from this Clause shall be reduced by the application of any of the terms, Exceptions and Conditions of this Section, then the liability of the Company under this Clause in respect of any such item shall be reduced in like proportion.

4. the total amount recoverable under any item of Sub-Section A shall not exceed the Sum Insured thereby.

Railway and other subrogation Clause

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

Reinstatement Value Conditions Clause

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

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

3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the Property insured 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 difference and shall bear a rateable proportion of the loss accordingly.

Each item of Sub-Section A (if more than one) to which these Conditions apply shall be separately subject to this Provision.

4. these Conditions shall be without force or effect if

(a) the Insured fails to intimate to the Company within six (6) months of the date of damage, or such further time as the Company may in writing allow, their intention to replace or reinstate the property

(b) the Insured are unable or unwilling to replace or reinstate the property on the same or another site.

Security firms Clause (applicable to Sub-Section D - Liability)

Notwithstanding Specific Exception 3 of 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 Indemnity 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.

Temporary removal Clause

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

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

Tenants Clause

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

Definitions

1. Subsidence

shall mean the lowering of a portion of the earth's crust, occurring naturally or through human activity. Earthquakes can also cause subsidence of the land due to the movement of faults.

2. Landslip

shall mean the sliding down of a large mass of earth, mud, rocks, or snow, amongst other down a slope, such as, but not inclusive of, a mountain, cliff or hill.
BUSINESS INTERRUPTION SECTION

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 in respect of the perils stated under A or B as indicated in the Schedule:

A

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, hail or snow excluding loss of or damage to property arising from its undergoing any process necessarily involving the use or application of water.
3. Earthquake.
4. Aircraft and other aerial devices dropped therefrom.
5. 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.

B

Cover following the Stock Section of this Policy.

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.

Defined Events A or B, as stated in the Schedule, shall hereinafter be termed Damage.

The Company will indemnify the Insured in accordance with the Provisions of this Section and the Schedule as hereinafter set out.

Specific Conditions

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

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

3. This Section of the Policy shall only become effective if the interruption of or the interference with the Business extends beyond forty eight (48) hours after the occurrence of the Damage.

Item 1 Gross Profit (difference basis)

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

(a) reduction in Turnover

being 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 and
(b) **increase in cost of working**

being 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 **twelve (12) months** or less, or the appropriate multiple of the **Annual Turnover** where the maximum **Indemnity Period** exceeds **twelve (12) months**.

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**Item 2 Gross Rentals**

The insurance under this item is limited to

(a) **loss of Gross Rentals**

being the amount by which the **Gross Rentals** during the **Indemnity Period** shall in consequence of the Damage fall short of the **Standard Gross Rentals**

and

(b) **increase in cost of working**

being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the **loss of Gross Rentals** which, but for that expenditure, would have taken place during the **Indemnity Period** in consequence of the Damage, but not exceeding the amount of the **loss of Gross Rentals** thereby avoided

less

any sum saved during the **Indemnity Period** in respect of such of the charges and expenses of the Business payable out of **Gross Rentals** as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the Sum Insured in respect of **Gross Rentals** is less than the **Annual Gross Rentals** where the maximum **Indemnity Period** is **twelve (12) months** or less, or the appropriate multiple of the **Annual Gross Rentals** where the maximum **Indemnity Period** exceeds **twelve (12) months**.

---

**Item 3 Revenue**

The insurance under this item is limited to

(a) **loss of Revenue**

being the amount by which the **Revenue** during the **Indemnity Period** shall, in consequence of the Damage, fall short of the **Standard Revenue**

and

(b) **increase in cost of working**

being the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the **loss of Revenue** which, but for that expenditure, would have taken place during the **Indemnity Period** in consequence of the Damage, but not exceeding the amount of **loss of Revenue** thereby avoided

less

any sum saved during the **Indemnity Period** in respect of such of the charges and expenses of the Business payable out of **Revenue** as may cease or be reduced in consequence of the Damage, provided that the amount payable shall be proportionately reduced if the Sum Insured in respect of **Revenue** is less than the **Annual Revenue** where the maximum **Indemnity Period** is **twelve (12) months** or less, or the appropriate multiple of the **Annual Revenue** where the maximum **Indemnity Period** exceeds **twelve (12) months**.
Item 4 Additional increase in cost of working

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

Item 5 Wages (Number of weeks basis)

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

Memo

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

Definitions

Indemnity period

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

Turnover

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

Revenue

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

Gross Rentals

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

Gross profit

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.

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

**Uninsured costs**

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

**Standard Turnover**

**Standard Revenue**

**Standard Gross Rentals**

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

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

**Annual Turnover**

**Annual Revenue**

**Annual Gross Rentals**

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

**Rate of Gross Profit**

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

**Note** If the Damage occurs before the completion of the first year’s trading of the Business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the Business and the date of Damage.

**Clauses and Extensions**

**Accumulated Stocks Clause**

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

**Department/Type of Stock Clause**

If the Business is conducted in departments, branches or if the Rate of Gross Profit is different for each type of Stock as defined, the independent trading results of which are ascertainable, the provisions under items 1 (Gross Profit), 2 (Gross Rentals) or 3 (Revenue) relating to a reduction in Turnover / Gross Rentals / Revenue and increase in cost of working, shall apply separately to each department, branch or type of Stock affected by the Damage, 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 or type of Stock, whether or not affected by the Damage, (to the relative Annual Turnover thereof) (proportionately increased if the number of months referred to in the definition of Indemnity Period exceeds twelve (12)), the amount payable shall be proportionately reduced.
Deposit premium Clause (if stated in the Schedule to apply)

In consideration of the premium by items 1, 2 or 3 being provisional in that it is calculated on seventy-five percent (75%) of the Sum Insured, the premium is subject to adjustment on expiry of each Period of Insurance as follows:

In the event of the Gross Profit / Gross Rentals / Revenue earned (proportionately increased if the number of months referred to in the definition of Indemnity Period exceeds twelve (12)) during the financial year most nearly concurrent with any Period of Insurance being less or greater than seventy five percent (75%) of the Sum Insured thereon, a pro rata return or additional premium not exceeding thirty-three and a third percent (33 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.

Output (alternative basis) Clause

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

(a) only the meaning of Output or the meaning of Turnover shall be operative in connection with any one event resulting in interruption

(b) if the meaning of Output be used

(i) the Accumulated Stocks Clause shall be inoperative

(ii) the Memo at the start of the Definitions shall read

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

Salvage sale Clause

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

(a) reduction in Turnover

being 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.

Disinclination to visit Extension

Should as a result of any Damage, as defined herein, being suffered by any anchor tenant(s) in the building where the Insured's Business is situated, the Insured can satisfy the Company that as a result of such Damage the Insured's Business has been interrupted or interfered with, the Company shall indemnify the Insured, as provided for herein, as if the Damage had been suffered by the Insured.

Notwithstanding Specific Condition 3, this Extension of the Policy shall only become effective if the interruption of or the interference with the Business extends beyond seventy two (72) hours after the occurrence of the Damage.

Prevention of access Extension

Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of Damage to property within a ten (10) kilometre radius of any premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the Insured therein shall be damaged or not, shall be deemed loss resulting from Damage to property used by the Insured at the Insured's premises.

Notwithstanding Specific Condition 3, this Extension of the Policy shall only become effective if the interruption of or the interference with the Business extends beyond seventy two (72) hours after the occurrence of the Damage.
Public telecommunications Extension

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

(i) drought
(ii) a fault on any part of the premises belonging to the Insured
(iii) a decision by any authority to legally withhold the telecommunication facility from the Insured unless such decision is directly attributable to Damage to property of such authority
(iv) any event described in General Exception 1 and 2 but cover provided under the Malicious Damage General Extension 4 in this Policy is not excluded.

Notwithstanding Specific Condition 3, this Extension of the Policy shall only become effective if the interruption of or the interference with the Business extends beyond seventy two (72) hours after the occurrence of the Damage.

Public utilities Extension

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

(i) drought
(ii) pollution of water
(iii) shortage of fuel or water
(iv) a fault on any part of the installation belonging to the premises
(v) the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority
(vi) any event described in General Exception 1 and 2 but cover provided by the Malicious Damage General Extension 4 of this Policy is not excluded.

Notwithstanding Specific Condition 3, this Extension of the Policy shall only become effective if the interruption of or the interference with the Business extends beyond seventy two (72) hours after the occurrence of the Damage.

Other premises Extensions

Loss as insured by this Section resulting from interruption of or interference with the Business in consequence of Defined Event A (hereinafter only termed Damage) at the undernoted situations or to property as undernoted shall be deemed loss resulting from Damage to property used by the Insured at the premises.

(a) Specified suppliers/sub-contractors (if stated in the Schedule to be included)
   The premises of the suppliers and sub-contractors specified in the Schedule subject to stated limits.

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

(c) Storage, transit and vehicle
   Property of the Insured whilst stored or whilst in transit by air, road, rail or inland waterway or being motor vehicles of the Insured elsewhere than at premises in the occupation of the Insured.

(d) Contract sites
   Any situation not in the occupation of the Insured where the Insured are carrying out a contract.
(e) **Additional premises**

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

(f) **Customers (if stated in the Schedule to be included)**

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

**The geographical limits of**

(b), (c), (d) and (e) of the **Other premises Extensions** and the extended covers for public telecommunications and public utilities are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Mozambique, Zimbabwe and Malawi.

(f) of the **Other premises Extensions** is confined to the Republic of South Africa and Namibia.

**Specific Definition**

**Anchor Tenant**

shall mean usually the first, and the leading, tenant in a shopping centre whose prestige and name recognition attracts other tenants and, it is hoped, shoppers. An anchor tenant generally pays rent rates lower than that paid by ancillary tenants.
MONEY SECTION

Defined Events

Loss of or damage to Money as defined occurring in the Territorial Limits stated in the Schedule except if otherwise specified

provided that

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

Clauses

1. Receptacles and clothing Clause

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 Clause shall not exceed the amount stated in the Schedule.

2. Locks and keys Clause

The Company will indemnify the Insured in respect of the cost of replacing locks and keys to any Receptacle at the Insured’s premises following upon the disappearance of any key to such Receptacle or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that the Company’s liability under this Clause shall not exceed the amount stated in the Schedule.

3. Skeleton keys Clause

The insurance under this Section covers loss of or damage to the Property insured caused or accompanied by entry to Receptacles by use of a skeleton key (excluding a duplicate key) provided that the Insured shall establish to the satisfaction of the Company that a skeleton key was used.

Specific Exceptions

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

(1) arising from dishonesty of any principal, partner, director or person or persons in the employ of the Insured not discovered within fourteen (14) working days of the occurrence thereof

(2) arising from shortage due to error or omission

(3) arising from the use of keys to any safe or strongroom unless the keys

   (a) are obtained by violence or threats of violence to any person

   (b) are used by the keyholder or some other person with the collusion of the keyholder and the Insured can prove to the satisfaction of the Company, that the keyholder or such other person had used the keys to open the safe or strongroom

(4) in an unlocked safe or strongroom whilst the portion of the premises containing such safe or strongroom is unattended but this Exception will not apply if it can be shown to the satisfaction of the Company that the keyholder to the safe or strongroom deliberately left it unlocked with the intention of allowing the Money to be stolen

(5) not contained in a locked safe or strongroom whilst the portion of the premises containing such Money is unattended but this Exception will not apply if it can be shown to the satisfaction of the Company that the person(s) responsible for the Money deliberately left it outside the safe or strongroom with the intention of allowing it to be stolen

(6) in any vehicle being used by the Insured unless a principal, partner, director or Employee of the Insured is actually in such vehicle or, if not in such vehicle, is within five (5) metres of it in a position from which the vehicle is clearly visible. This Exception shall not apply following an accident involving such vehicle rendering the said person incapacitated.

Specific Exceptions (3), (4), (5) and (6) do not apply up to an amount of R 3 500 and such losses shall not be reduced by any First Amount Payable.
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 (hereinafter referred to as 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) two percent (2%) of the applicable limit under Defined Events plus

(b) a further amount of ten percent (10%) of the nett amount payable after deduction of the amount specified in (a) above.

2. The Company shall not be liable under this Section of the Policy in respect of loss or damage arising from any event in respect of which a claim is payable, or would be payable but for any First Amount Payable or Other Insurances Clause under the Fidelity Section of the Policy or any other fidelity insurance.

Special Conditions applicable to:

A. Safes and strongrooms

The limit of the Company’s liability in respect of Money contained in any safe or strongroom shall not exceed the limit stated below, or as otherwise stated in the Schedule of Protections.

<table>
<thead>
<tr>
<th>S.A.B.S. Grading</th>
<th>Limit of Company’s liability</th>
</tr>
</thead>
<tbody>
<tr>
<td>No S.A.B.S grading</td>
<td>R 5 000</td>
</tr>
<tr>
<td>S.A.B.S. category 1</td>
<td>R 7 500</td>
</tr>
<tr>
<td>S.A.B.S. category 2</td>
<td>R 15 000</td>
</tr>
<tr>
<td>S.A.B.S. category 2 HD</td>
<td>R 30 000</td>
</tr>
<tr>
<td>S.A.B.S. category 2 ADM</td>
<td>R 60 000</td>
</tr>
<tr>
<td>S.A.B.S. category 2 ADM D3</td>
<td>R 100 000</td>
</tr>
<tr>
<td>S.A.B.S. category 3</td>
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</tr>
<tr>
<td>S.A.B.S. category 4</td>
<td>R 200 000</td>
</tr>
<tr>
<td>S.A.B.S. category 5</td>
<td>R 300 000</td>
</tr>
</tbody>
</table>

B. Cheques

First Amount Payable applicable to theft of cheques Clause

Any loss or series of losses attributable to one original event which is payable under this Section and which results from the theft of any cheque or cheques shall be reduced by a First Amount Payable of twenty-five percent (25%) of the loss indemnifiable by this Section unless:

1. Cheques drawn by the Insured

   (a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended SAIA (South African Insurance Association) procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA and the printed portion of the cheque (as opposed to the written or typed portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau (ACB) or

   (b) the cheque has been dispatched to the payee by certified post or any post where the security is equal or superior to certified post.

2. Cheques drawn by someone other than the Insured and which were received by the Insured by post or direct by the cashier
(a) such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by the Insured and
(b) the Insured is able to identify the drawer and amount of the cheque from their records.

3. Cheques of which the Insured is the true owner which were drawn by someone other than the Insured and posted to the Insured but not received
(a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended SAIA procedure for drawing and crossing of cheques" or any other superior method approved by the SAIA, or
(b) the cheque was dispatched to the Insured by certified post or any post where security is equal or superior to certified post, or
(c) the invoice of the Insured (to which the payment by cheque relates) contains a message (approved by the Company or SAIA) on it recommending or requiring that the cheque be drawn in accordance with the undermentioned "Recommended SAIA procedure for drawing and crossing of cheques".
Recommended **SAIA** procedure for drawing and crossing of cheques and printing of blank cheques

A. Drawing and crossing of cheques Clause

One of the safest methods of drawing and crossing a cheque which is acceptable to banks is as noted hereunder. This method is recommended by the **SAIA**.

1. Delete the pre-printed words "or bearer". This limits the possibility of the drawee bank paying out to a bearer who might not be entitled to payment.
2. If instead of "or bearer" your cheque has pre-printed on it "or order" these words must also be deleted.
3. Write on the face of the cheque the words "not transferable".
4. Cross the cheque by drawing two parallel lines across the cheque.
5. Write the words "not negotiable" between the two parallel lines referred to in 4 above.
6. Ensure that the payee is accurately, properly and fully described, for example where the payee is a Company its full name should be used: RH Jones (Pty) Ltd not just RH Jones. Where the bank account number or CC number of the payee is known this should be included after the name of the payee, for example, "RH Jones (Pty) Ltd, Co No: 69/123456" or "RH Jones (Pty) Ltd ABC Bank account no: 123456789". Whilst highly recommended it is not compulsory to use the bank account number of the payee.
7. In drawing the cheque no spaces should be left which would allow anyone to add extra words or figures.
8. An example of this method of drawing a cheque is attached as Annexure A (last page of this Section).
9. On the front of the cheque the wording listed in Annexure B (last page of this Section) should be printed. Please ensure that space is left on the cheque for bank stamps and endorsements.
10. All the markings on a cheque should be legible and clearly visible. Persons drawing cheques should not use abbreviated or different versions of the terminology used in the example. The words "not neg" and a crossing using a rubber stamp containing a rectangle rather than two parallel lines are worthless.
11. The method used to complete cheques should be one which makes an ink impression on the paper like handwriting, a typewriter or a dot matrix printer. The ribbon used on the printer / typewriter should be of the type which impregnates the paper with ink.

**Do not use:**

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

B. Printing of blank cheques Clause

Blank cheques should only be printed by the Bank itself or a printer licensed by the **Automatic Clearing Bureau (ACB)**. These printers know the recommended requirements of banks and should only use approved:

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

- Provides additional remedies to the owner of the cheque
- General crossing requires payments to be made to a bank only
- Prohibits transfer of the cheque
- Cross out for added protection

1. ABC BANK LIMITED
2. PAY Dan Smith
3. AMOUNT One Thousand Rand Only
4. OR ORDER OR BEARER
5. 1/10/93
6. Signature
7. R1000-00

ANNEXURE B – RECOMMENDED CHEQUE
Warning to be printed on bottom left front of cheque – leave enough space for bank stamps etc.

WARNING
To person encashing this cheque or receiving it in exchange for any consideration.
Where a cheque has been stolen from or lost by the true owner, you may be liable to reimburse him for his loss if you encash such cheque or receive it in exchange for any consideration

NB This cheque is crossed and marked “not negotiable” and “not transferable”
GLASS SECTION

Defined Events

A. Loss of or damage to perimeter glass as herein defined, at the insured premises as stated in the Schedule, the property of the Insured or for which they are responsible

B. Loss of or damage to signwriting and treatment thereon

C. Other.

The liability of the Company shall not exceed the Sums Insured as stated in the Schedule applicable to the premises at which loss or damage occurs.

Following loss of or damage to insured perimeter glass the Company will also, in addition, indemnify the Insured for

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

The liability of the Company shall not exceed R 5 000 in respect of each of 1, 2, 3 and 4 provided that

the Company shall not be liable for more than R 15 000 aggregated during any one Period of Insurance.

Specific condition

Average

If the Property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the Sum Insured thereon, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss or damage accordingly.

Every item, if more than one, shall be separately subject to this Specific Condition.

Specific Exceptions

The Company shall not be liable for

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

Clauses

Special replacement Clause

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

Defined Events

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

2. Direct financial loss sustained by the Insured as a result of fraud or dishonesty of an insured Employee all of which occurs during the currency of this Section and which results in dishonest personal financial gain for the Employee concerned provided that

   i) the Company is not liable for all losses which occurred more than twenty four (24) months prior to discovery

   (a) all losses are discovered not later than twelve (12) months after the termination of:

      (i) this Section, or

      (ii) this Section in respect of any insured Employee concerned in a loss, or

      (iii) the employment of the insured Employee or the last of the insured Employees concerned in a loss whichever occurs first

   ii) BLANKET BASIS - the liability of the Company for all losses shall not exceed the limit stated in the Schedule whether involving any one Employee or any number of Employees acting in collusion or independently of each other

   (b) NAMED OR POSITION BASIS - the liability of the Company for all losses involving any Employee shall not exceed the limit stated opposite their name in the Schedule or, if they are unnamed, the limit stated opposite the position held by them in the Business as stated in the Schedule

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

   iv) the term "dishonest personal financial gain" shall not include entitled salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

Specific Exceptions

1. The Company shall not be liable for

   (a) loss resulting from or contributed to by any Defined Event by

      (i) any partner in or of the Insured to the extent that such partner would benefit by indemnity granted under this Policy

      (ii) any principal, director or member of the Insured unless such director or member is also an Employee

      (iii) any Employee from the time the Insured shall become aware that such Employee has committed any fraud or dishonesty

   (b) consequential losses of any kind following losses referred to under Defined Events.

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

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

   (i) manipulation of

   (ii) input into
(iii) suppression of input into
(iv) destruction of
(v) alteration of
any computer programme, system, data or software by any insured Employee who is employed in the Insured's electronic data processing department or area.

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

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

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

Specific Conditions

1. The Insured shall institute and / or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting their Business as has been represented to the Company but the Insured may:
   (a) change the remuneration and conditions of service of any Employee
   (b) in respect of any Employee who is described in the Schedule by name, change their duties and position
   (c) in respect of any Employee who is described in the Schedule only by the position held by them, remove such Employee and place in their position any other person who falls within the definition of Employee
   (d) make such other changes as are approved beforehand in writing by the Insured’s auditors.

2. If the Insured shall sustain any loss to which this Section applies which exceeds the amount payable hereunder in respect of such loss, the Insured shall be entitled to all recoveries (except from suretyship, insurance, reinsurance, security or indemnity taken or effected by the 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 their coinsurance in terms of item (b) of the Compulsory First Amount Payable Clause.

Extensions and Clauses

Extended cover for past Employees Extension
Any person who ceases to be an Employee shall, for the purposes of this Section, be considered as being an Employee for a period of thirty (30) days after they in fact ceased to be an Employee.

Retroactive cover Extension - 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 twelve (12) months prior to inception of this Section but not more than twenty four (24) months prior to discovery, provided the events are discovered within the sooner of twelve (12) months of the termination of the employment of the Employee concerned or within twelve (12) months of the expiry of this Section.

Superseded insurances Extension (if stated in the Schedule to be included)
This Section will apply to Defined Events insured herein which occurred during the currency of any insurance superseded by this Section and specified in the Schedule, provided that:
1. this Extension is restricted to losses which would have been payable by the superseded insurance but which are not claimable because of the expiry of the period of time allowed by the superseded insurance for the discovery of the Defined Events.
2. the Defined Events are discovered within the sooner of twelve (12) months of the termination of the employment of the Employee concerned or within twelve (12) months of the expiry of this Section

3. the amount payable under this Extension shall not exceed the amount insured by this Section or the amount insured by the superseded insurance whichever is the lesser

4. in the event of the Defined Events involving one Employee or any number of Employees occurring during both the currency of this Section and that of the superseded Policy, the maximum amount payable shall not exceed the amount insured by this Section at the time of discovery of the Defined Events

5. this Extension will not apply to Defined Events which occurred more than the number of years stated in the Schedule before inception of this Section

6. the Company is not liable for any loss which occurred more than twenty four (24) months prior to discovery.

Costs of recovery Extension (if stated in the Schedule to be included)

If the Insured shall sustain any loss to which this Section applies which exceeds the limit hereunder, the Company will, in addition to the limit, 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 limit hereunder.

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

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

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

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

1. In consideration of the payment of an additional premium, Proviso i) (a) of the Defined Events is restated to read:
   
   "i) (a) the Company is not liable for all losses which occurred more than thirty six (36) months prior to discovery."

2. If this Policy Section includes the Superseded insurances Extension, the period referred to in proviso 6 thereof is increased from twenty four (24) months to thirty six (36) months.

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

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

- control
- fraud dishonesty and theft detection

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

1. proviso i) (a) of the Defined Events (which limits cover to that part of losses discovered within twenty four (24) months) and proviso 6 of the Superseded insurances Extension (if applicable) are deleted

2. if any Defined Event is discovered more than twelve (12) months after it was committed, the percentages contained in the undernoted First Amount Payable Clauses are increased as follows:
### First Amount Payable Clause

First Amount Payable increased to percentage shown below if losses discovered more than twelve (12) months after being committed

<table>
<thead>
<tr>
<th>Compulsory</th>
<th>From 2% to 3%</th>
<th>From 10% to 12,5%</th>
<th>From 20% to 25%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Paragraph (a)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paragraph (b)</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Computer Losses First Amount Payable Clause

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

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

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

### First Amount Payable for losses discovered more than twelve (12) months after they were committed Clause

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

1. it was committed
2. the first event in a series of events committed by one person or a number of persons acting in collusion

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

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

### Other insurances Clause

It is a condition of this Section that other than

(a) a Money Policy
(b) that declared to the Company at inception or renewal or time a claim is submitted
(c) a Fidelity Pension Fund Policy which is not in excess of this Section
(d) this Policy

no other insurance is in force during the currency of this Section to insure against the risks insured hereunder.
the percentages contained in the First Amount Payable Clauses are increased as follows:

<table>
<thead>
<tr>
<th>First Amount Payable Clause</th>
<th>First Amount payable increased to percentage shown below</th>
</tr>
</thead>
<tbody>
<tr>
<td>Compulsory</td>
<td>From 2% to 4%</td>
</tr>
<tr>
<td>Paragraph (a)</td>
<td>From 10% to 15%</td>
</tr>
<tr>
<td>Computer Losses</td>
<td>From 20% to 30%</td>
</tr>
<tr>
<td>Paragraph (b)</td>
<td>From 2% to 5%</td>
</tr>
<tr>
<td>Computer Losses</td>
<td>From 10% to 20%</td>
</tr>
<tr>
<td>Computer Losses</td>
<td>From 20% to 35%</td>
</tr>
</tbody>
</table>

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

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

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

Reduction/Reinstatement of Insured amount Clause (if stated in the Schedule to be included)

The payment by the Company of any loss involving one Employee or any number of Employees shall not reduce the Company’s liability in respect of the remaining insured Employees provided that:

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

\[
\text{Annual premium in force at time of discovery of loss} \times \frac{\text{Amount of claim payment}}{\text{Sum Insured at time of discovery of loss}}
\]

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

Memoranda

1. In the event of the discovery of any loss resulting from a Defined Event, the Insured may, notwithstanding anything to the contrary contained in paragraph (a) (ii) of General Condition 6, refrain from reporting the matter to the police but shall do so immediately should the Company or legislation of the Republic of South Africa require such action to be taken.
2. Non-disclosure of their own fraud or dishonesty or that of others with whom they are in collusion, by the person signing any proposal form or giving renewal or other instructions shall not prejudice any claim under this Section.
3. General Exceptions 1 and 2 and General Condition 9 do not apply to this Section.
4. If the limit shall be increased at any time, such increased amount shall apply only to Defined Events committed after the date of such increase.
BUSINESS ALL RISKS SECTION

Defined Events

Loss of or damage to the whole or part of the Property described in the Schedule while anywhere in the world by any accident or misfortune not otherwise excluded provided that the Insured shall be responsible for the First Amount Payable stated in the Schedule in respect of each and every event (except a claim resulting from fire, lightning or explosion).

Specific Exceptions

The Company shall not be liable for

1. loss of or damage to property resulting from or caused by
   (a) theft from any unattended vehicle in the custody or control of the Insured or any principal, partner, director or Employee of the Insured unless the property is out of sight and 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 or exit of the building
   (b) its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration
   (c) inherent vice, latent defect, vermin, insects, damp, mildew or rust
   (d) the dishonesty of any principal, partner, director or Employee of the Insured whether acting alone or in collusion with others
   (e) detention, confiscation or requisition by customs or other officials or authorities
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded
4. loss of or damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind
5. loss of or damage to goods consigned under a bill of lading.

Specific Condition

Average

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

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

Clauses and Extensions

Replacement Value Condition Clause

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

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

or

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

**Increase in cost of working Extension (if stated in the Schedule to be included)**

The insurance under this item is limited to expenditure not otherwise recoverable under this Section, necessarily and reasonably incurred as a result of loss of or damage to property for which payment is made or liability therefore is admitted under this Section, for the purpose of maintaining the normal operation of the Business.
LIABILITY SECTION

Defined Events (Claims Made Basis)

Damages which the Insured shall become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury), or accidental loss of or physical damage to tangible property (hereinafter termed damage) which occurred in the course of or in connection with the Business within the Territorial Limits and on or after the Retroactive Date shown in the Schedule, and which results in a claim or claims first being made against the Insured in writing during the Period of Insurance.

The Limits of Indemnity

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

Territorial Limits

Anywhere in the world but not in connection with

(i) any Business carried on by the Insured at or from premises outside

or

(ii) any contract for the performance of work outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Mozambique, Zimbabwe and Malawi.

Specific Exceptions

The Company will not indemnify the Insured in respect of

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

2. damage to

(a) property belonging to the Insured

(ii) property in the custody or control of the Insured or any Employee of the Insured

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

3. liability consequent upon injury or damage

(a) caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at the direction of the Insured

(b) caused by or through or in connection with the ownership, possession or use by or on behalf of the Insured of any mechanically propelled vehicle (other than a pedal cycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft, locomotive or rolling stock, provided that this 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 carriage-way or thoroughfare in connection with the loading or unloading of any vehicle, insofar as such injury or damage is not insured by any other insurance Policy

(c) caused by or through or in connection with

(i) the refuelling of aircraft

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

(iii) the ownership, hire or leasing of any airport, airstrip or helicopter pad
(d) caused by or through or in connection with goods or products (including containers and labels) sold or supplied and happening elsewhere than on premises occupied by the Insured other than food and drink supplied incidentally for consumption on the premises

(e) occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work

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

5. liability assumed by agreement (other than under the Insured’s own standard Conditions of contract) unless liability would have attached to the Insured notwithstanding such agreement

6. (a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this Exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence

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

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

7. fines, penalties, punitive, exemplary or vindictive damages

8. (a) damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland

(b) costs and expenses of litigation recovered by any claimant from the Insured which are not incurred in and recoverable in the area described in 8 (a) above

9. any claim arising from an event known to the Insured

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

(b) prior to inception of this Section

10. any claim (in the event of cancellation or non-renewal of this Section) not first made in writing against the Insured within the forty eight (48) month period (or extended period in respect of minors) as specified in Specific Condition 2

11. the First Amount Payable.

The Insured shall be responsible for the First Amount Payable as stated in the Schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The Provisions of this Clause shall apply to claims arising from damage and shall apply to costs and expenses incurred by 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.”

Specific Conditions

1. Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General Condition 6 (hereinafter termed reported event) shall be treated as if it had first been made against the Insured on the same day that the Insured reported the event to the Company.
2. In the event of cancellation or non-renewal of the Policy
   (a) any claim resulting from a reported event, first made in writing against the Insured during the **forty eight (48) months** immediately following cancellation or non-renewal shall be treated as having been made against the Insured on the same day that the Insured reported the event. If the claimant is a minor, the period of **forty eight (48) months** will be extended until the expiry of **twelve (12) months** after the attainment of majority by the claimant.
   (b) the Insured may report an event in terms of General Condition 6 to the Company for up to **fifteen (15) days** after cancellation or non-renewal, provided
      (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 **forty eight (48) months** period specified in 2(a) above.

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

**Clauses and Extensions**

**Car parks Clause**
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.

**Cross liabilities Clause**
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.

**Emergency medical expenses Clause**
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.

**Employees’ and visitors’ property Clause**
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.

**Liability by agreement Clause**
Notwithstanding the Provisions of Specific Exceptions 2 (a) (ii), 3 (b) and 5, this Section indemnifies the Insured
   (a) against liability assumed by the Insured under any contract entered into with or indemnity given to Transnet, Government or quasi-government departments, provincial administrations, municipalities and / or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and / or agreements of a similar nature.
   (b) against liability arising from loss of or damage to property belonging to Transnet while in the Insured’s custody or control.
(c) in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet while being used by or on behalf of the Insured at any railway siding.

Security Firms Clause
Notwithstanding Specific Exception 5, if in terms of a contract with a security firm engaged to protect persons or the Insured's property in the course of the Business of the Insured stated in the Schedule, the Insured becomes legally liable for the acts or omissions of the Employees of the security firm in the course of their employment, then this Section includes such legal liability to the extent that indemnity would have been granted under this Section had the said Employees been under a contract of service to the Insured and not the security firm, but not exceeding the Limit of Indemnity 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.

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

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

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

(i) which is insured by or would, but for the existence of this Section, be insured by any other Policy or Policies effected by the Insured.

(ii) as falls within the scope of any compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected.

Additional Insured Extension
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

(1) the aggregate liability of the Company is not increased beyond the Limits of Indemnity stated in the Schedule

(2) any person or organisation to which this Extension applies is not entitled to indemnity under any other Policy
(3) the indemnity under (a), (b) and (c) applies only in respect of liability for which the Insured would have been entitled to indemnity if the claim had been made against the Insured.

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

**Extended Reporting Option Extension**

At the option of the Insured and subject to payment of an additional premium to be determined and subject to all the terms, Exceptions and Conditions of this Section, the Company agrees to extend the period during which the Insured may report an event in terms of General Condition 6 for a period to be agreed, but in no circumstances exceeding thirty six (36) months (hereinafter referred to as Extended Reporting Option 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 thirty (30) days of cancellation or non-renewal

(c) once exercised, the option cannot be cancelled by either the Insured or the Company

(d) the Insured has not obtained insurance equal in scope and cover to this Section as expiring

(e) the Company shall only be liable for a Defined Event which occurred after the Retroactive Date but prior to date of cancellation or non-renewal

(f) claims first made against the Insured or any reported event by the Insured during the Extended Reporting Option 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 Option 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 Option period, which is first made against the Insured in writing more than forty eight (48) months after the last day preceding cancellation or non-renewal, shall not be subject to indemnification by this Extension. If the claimant is a minor, the period of forty eight (48) months is extended until the expiry of twelve (12) months after the attainment of majority by the claimant.

**Products liability Extension (if stated in the Schedule to be included)**

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

(i) for the cost of repair, alteration, recall or replacement of the goods or products (including containers and labels) causing injury or damage

(ii) for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the goods or products (including containers and labels) and any other property essential to such repair, alteration or replacement unless physically damaged by the goods or products
(iii) arising from defective or faulty design, formula, plan or specification, but if the Insured is a retailer this Specific Exception (iii) does not apply if the Insured's activities are wholly restricted to sales, distribution and/or marketing (including any marketing advisory service accompanying the products) of the product, and the Insured's activities do not include final preparation which means repackaging, packing, labelling, cleaning or provision of operating instructions prior to sale to the Insured's original customers, nor include any enhancement, amendment or alteration to the product.

(b) arising from inefficacy or failure to conform to specification, unless such inefficacy or failure is due to negligence in the following of such specification.

(iv) arising from goods or products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft.

(v) in respect of injury or damage happening in the United States of America or Canada caused by or through or in connection with any goods or products sold or supplied by or to the order of the Insured, if such goods or products have, to the Insured's knowledge, been exported to the United States of America or Canada by or on behalf of the Insured.

E.U / E.C. & E.F.T.A. Liability Extension (if stated in the Schedule to be included)

Subject otherwise to the terms and Conditions and limitations, the following changes are made to this Section of the Policy in respect of "injury" or "damage" (as insured by the Products liability Extension) which results from goods or products exported to any European Union (E.U.), European Community (E.C.) or any European Free Trade Associations (E.F.T.A.) country.

1. Specific Exceptions 8 (a) and 8 (b) shall not apply to damages or costs and expenses of litigation recovered by any claimant in respect of judgements delivered in the first instance in courts of the E.U., E.C. or E.F.T.A.

2. In respect of these goods or products (other than raw materials), the Insured shall

(a) 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.

(b) 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 ten (10) years after the goods or products were first put into circulation.

3. The information mentioned in 2, together with all supporting documentation, shall be made available to the Company or their nominee at any time on request.

4. In respect of this indemnity, the Insured shall be responsible for the First Amount Payable shown in the Schedule for this Extension.

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.

Defective workmanship liability Extension (if stated in the Schedule to be included)

Specific Exceptions 2 (b) and 3 (e) are deleted.

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 Defective workmanship liability)

This Extension does not cover liability

(i) for the cost of rectifying or recalling defective work.

(ii) arising from inefficacy of such work or because the work did not produce the result anticipated or claimed.
(iii) arising prior to the handing over of such work.
(iv) arising from defective design.
(v) arising from any work on any aircraft or part thereof.

**Legal defence costs Extension**

If the Insured so request, the Company will indemnify any Employee, partner or director of the Insured against costs and expenses, not exceeding the amount stated in the Schedule, incurred by or on behalf of such person with the consent of the Company in the defence of any criminal action brought against such person in the course of their occupation with the Insured arising from an alleged contravention of the statutes as herein defined during the Period of Insurance provided that

(i) in the case of an appeal, the Company shall not indemnify such person unless a senior counsel approved by the Company shall advise that such appeal should, in their opinion, succeed.

(ii) the Company shall not indemnify such person in respect of any fine or penalty imposed by any magistrate or judge or any loss consequent thereon.

(iii) such person shall, as though they were the Insured, observe, fulfil and be subject to the terms, Exceptions and Conditions of this Policy and this Section thereof in so far as they can apply.

**The Statutes**

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

The Mines and Works Act No. 27 of 1956 (as amended),

The Electricity Act No. 40 of 1958 (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).

**Wrongful arrest and defamation Extension**

The Defined Events are extended to include damages

(i) resulting from wrongful arrest (including assault in connection with such wrongful arrest)

(ii) in respect of defamation

provided always that

the Limits of Indemnity as stated shall not exceed under each of (i) and (ii) the limits as stated in the Schedule in any one (annual) Period of Insurance.

**Employers’ liability Extension**

Notwithstanding anything contained in Specific Exception 1 of this Section, the Company shall indemnify the Insured should the Insured become legally liable to pay compensation 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.

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.

**Specific Exception to Employers’ liability**

This Extension does not cover liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event.
Specific Extension to **Employers' liability**

**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 Specific Exception 5, 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 they 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.
PERSONAL ACCIDENT ASSAULT SECTION

Defined Events

Bodily injury caused by accidental, violent, external and visible means as a result of theft or any attempt thereat, to the Insured or to any principal, partner, director or Employee of the Insured (hereinafter in this Section referred to as the Insured Person) while the Insured Person is acting in the course of their duties in the Insured's employ.

The Company will pay to the Insured, on behalf of the Insured Person or their estate, the sum or sums stated in the Schedule in the event of bodily injury to the Insured Person resulting within twenty four (24) calendar months in

1. Death the capital sum
2. Permanent Disability as follows the percentage of the capital sum specified

Definitions

<table>
<thead>
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<td>sight of eye except perception of light……………. 75</td>
</tr>
<tr>
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<tr>
<td>both ears……………………………………………. 100</td>
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<td>one ear……………………………………………. 25</td>
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<td>(d) permanent and total loss of speech……………………………………………. 100</td>
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<tr>
<td>(e) injuries resulting in permanent total disability from following usual occupation or any other occupation for which Insured Person is fitted by knowledge or training…………………… 100</td>
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</table>
67

(k) loss of little finger
three phalanges ........................................... 4
two phalanges ........................................... 3
one phalanx .............................................. 2

(l) loss of metacarpals
first or second (additional) ......................... 3
third, fourth or fifth (additional) .................. 2

(m) loss of toes
all on one foot ............................................. 30
great, both phalanges ................................. 5
great, one phalanx ...................................... 2
other than great, if more than one toe lost,
each ............................................................. 2

3. Temporary Total Disability
   In the case of total and absolute incapacity from following usual Business or occupation the weekly sum specified in the Schedule shall be payable.

4. Medical Expenses
   The reasonable expenses incurred, up to the sum specified in the Schedule, shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing the Insured Person if trapped or bringing the Insured Person to a place of safety) incurred within twenty four (24) months of the Defined Event.

Memoranda (applicable to Permanent Disability benefits)

a. Where the injury is not specified the Company will pay such sum as in its opinion is consistent with the above Provisions

b. Permanent total loss of use of part of the body shall be considered as loss of such part

c. One hundred percent (100%) shall be the maximum percentage of compensation payable for Permanent Disability resulting from an accident or series of accidents arising from one cause in respect of any Insured Person provided that

   (i) the Company shall not be liable to pay, for item 1 or item 2 resulting from an accident or series of accidents arising from one cause in respect of any one Insured Person more than the capital sum for item 1 or item 2 (whichever is the higher) plus the sums specified under items 3 and 4

   (ii) the sum specified under item 3 shall be payable only for the duration of the incapacity of the Insured Person and 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

   (iii) compensation payable under item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4

   (iv) this Section shall not apply to any Insured Person under fifteen (15) or over seventy (70) years of age

   (v) after suffering bodily injury for which benefit may be payable under this Section, the Insured Person shall submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction

   (vi) General Exception 2 and General Conditions 2 and 9 do not apply to this Section
(vii) in respect of this Section only **General Exception 1** is deleted and replaced by the following:

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

### Clauses and Extensions

1. **Exposure Clause**

   Bodily injury shall include injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from the Insured Person being the victim of theft or any attempt thereat.

2. **Disappearance Clause**

   In the event of disappearance of any Insured Person in circumstances which satisfy the Company that they have sustained injury to which this **Personal Accident (Assault) Section** applies and that such injury has resulted in the **Death** of the Insured Person, the Company will, for the purpose of the insurance afforded by this Section, presume their **Death** provided that if, after the Company shall have made payment hereunder in respect of the Insured Person's presumed **Death**, they are found to be alive, such payment shall forthwith be refunded by the Insured to the Company.

3. **Trauma Extension**

   Should any Insured Person suffer any form of mental or physical trauma following assault or robbery (or any attempt thereat), the Company shall indemnify the Insured for all actual and reasonable costs pertaining to psychological or other medical treatment required by the Insured Person concerned for a maximum period of **three (3) months** following the assault or robbery (or any attempt thereat), for any amount not exceeding **R 10 000** in respect of all Insured Persons during any one Period of Insurance.

   Should such assault or robbery (or attempt thereat) take place at the Insured’s premises, the Insured Person shall include any other person present within the Insured’s premises at the time of the assault or robbery (or attempt thereat), but excluding the perpetrators of the crime.

   This Extension shall not be payable in addition to any amount recoverable under the **Stock** or **Personal Accident Section**.
PERSONAL ACCIDENT SECTION

Defined Events

Bodily injury caused by accidental, violent, external and visible means to any principal, partner, director or Employee of the Insured (hereinafter in this Section referred to as Such Person) specified in the Schedule.

The Company will pay to the Insured, on behalf of Such Person or their estate, the compensation stated in the Schedule in the event of bodily injury to Such Person directly and independently of all other causes resulting within twenty four (24) calendar months in:

1. Death: the capital sum
2. Permanent Disability as follows: the percentage of the capital sum specified

Definitions

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</table>
(k) loss of little finger

<table>
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<tr>
<th>Description</th>
<th>Value</th>
</tr>
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<tr>
<td>three phalanges</td>
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<tr>
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<td>3</td>
</tr>
<tr>
<td>one phalanx</td>
<td>2</td>
</tr>
</tbody>
</table>

(l) loss of metacarpals

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>first or second (additional)</td>
<td>3</td>
</tr>
<tr>
<td>third, fourth or fifth (additional)</td>
<td>2</td>
</tr>
</tbody>
</table>

(m) loss of toes

<table>
<thead>
<tr>
<th>Description</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>all on one foot</td>
<td>30</td>
</tr>
<tr>
<td>great, both phalanges</td>
<td>5</td>
</tr>
<tr>
<td>great, one phalanx</td>
<td>2</td>
</tr>
<tr>
<td>other than great, if more than one toe lost, each</td>
<td>2</td>
</tr>
</tbody>
</table>

3. Temporary Total Disability

In the case of total and absolute incapacity from following usual Business or occupation the weekly sum specified in the Schedule shall be payable.

4. Medical Expenses

The reasonable expenses incurred, up to the sum specified in the Schedule, shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing Such Person if trapped or bringing Such Person to a place of safety) incurred within twenty four (24) months of the Defined Event.

Memoranda (applicable to Permanent Disability benefits)

(i) Where the injury is not specified, the Company will pay such sum as, in their opinion, is consistent with the above Provisions

(ii) Permanent total loss of use of part of the body shall be treated as loss of such part

(iii) One hundred percent (100%) shall be the maximum percentage of compensation payable for Permanent Disability resulting from an accident or series of accidents arising from one cause in respect of any one Such Person provided that

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one Such Person, more than the compensation payable for Death or Permanent Disability (whichever is the higher) plus any compensation payable for Temporary Total Disability and Medical Expenses

2. the compensation specified for Temporary Total Disability shall be payable for not more than the number of weeks stated in the Schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that Permanent Disability may remain

3. unless otherwise provided herein, this Section shall not apply to any Such Person under fifteen (15) or over seventy (70) years of age

4. after suffering accidental bodily injury for which compensation may be payable under this Section, Such Person shall, when reasonably required by the Company so to do, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction

5. General Exception 2 and General Conditions 2 and 9 do not apply to this Section
6. in respect of this Section only, General Exception 1 is deleted and replaced by the following:

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

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

This Section applies only in respect of accidental bodily injury to Such Person arising from and in the course of their employment in the Business.

Clauses and Extensions

1. Exposure Clause

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

2. Disappearance Clause

In the event of the disappearance of any Such Person in circumstances which satisfy the Company that they have sustained injury to which this Personal Accident Section applies, and that such injury has resulted in the Death of Such Person, the Company will, for the purpose of the insurance afforded by this Section, presume their Death provided that if, after the Company shall have made payment hereunder in respect of Such Person’s presumed Death, they are found to be alive, such payment shall forthwith be refunded by the Insured to the Company.

3. Burns disfigurement Extension

Subject to the Exclusion shown below, the following item is added to the "Permanent Disability" definition:

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

| (n) | permanent disfigurement resulting from accidental external burns to the combined surface area of the |
| (i) | face and neck |
| 100% surface area disfigurement | 50 |
| less than 100% surface area disfigurement | The proportion of 50 which the actual surface area disfigurement bears to 100% surface area disfigurement. |
| (ii) | remaining parts of the body other than the face and neck |
| 100% surface area disfigurement | 25 |
| less than 100% surface area disfigurement | The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement. |

4. Life support machinery Extension

Notwithstanding anything contained in the Defined Events, the twenty four (24) month period stated therein shall not include any period or periods where the Death of Such Person is delayed solely by the use of life support machinery, equipment or apparatus, for periods of not less than three (3) consecutive days.

5. Trauma Extension

Should any Such Person suffer any form of mental or physical trauma following accident, assault or robbery (or attempt thereat), the Company shall indemnify the Insured for the actual and reasonable costs of psychological or other medical treatment required by Such Person, for a maximum period of three (3) months following the accident, assault or robbery (or attempt thereat), for any amount not exceeding R 10 000 in respect of all Such Persons and during any one Period of Insurance. This Extension shall not be payable in addition to any amount recoverable under the Stock or Personal Accident (Assault) Section.
Specific Exceptions

The Company shall not be liable to pay compensation for Death, disability or Medical Expenses in respect of Such Person

(a) while Such Person 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 their 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 themselves)

(e) as a result of their participation in any riot, civil commotion or terrorism

(f) in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof

(g) while Such Person is, or as a result of them, engaging in

   (i) motorcycling (whether as a driver or passenger) or quadricycling other than on the Business of the Insured

   (ii) racing of any kind involving the use of any power driven

      (A) vehicle

      (B) vessel

      (C) craft

   (iii) mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeple-chasing, professional football, gliding of any nature or type, skiing or any other recreation activity that has the known possibility of causing the participant permanent disability.

Specific Definition

Sequelae shall mean pathological conditions resulting from a disease, injury, or other trauma, i.e.:

Sequelae of, say, traumatic brain injury, may include headaches, dizziness, anxiety, apathy, depression, aggression, cognitive impairments, personality changes, mania, and psychosis.
Sub-Section A  Loss or damage

Defined Events

Loss of or damage to any vehicle described in the Schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the Company will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the previous consent of the Company to the extent of but not exceeding R 5 000, 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

provided that

1. the Limit of Indemnity for each type of vehicle is as stated in the Schedule and shall be the maximum amount payable by the Company in respect of such loss or damage, but shall not exceed the reasonable Retail Sale Value of the vehicle and its accessories and spare parts at the time of such loss or damage as recorded in the publication commonly used by members of the Retail Motor Industry (RMI)

2. the Company may, at its own option, repair, reinstate or replace such vehicle or any part thereof and / or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the reasonable Retail Sale Value of such vehicle and / or its accessories and / or spare parts at the time of such loss or damage

3. if, to the knowledge of the Company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of such loss or damage

4. in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion) under this Sub-Section, the Insured shall be responsible for the First Amounts Payable stated in the Schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this Sub-Section (including any payment in respect of costs, expenses and fees), and of any expenditure by the Company in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the Company shall include any First Amount Payable for which the Insured is responsible, such amount shall be paid by the Insured to the Company forthwith

5. the Company shall not be liable for more than the amount stated in the Schedule (after deduction of the First Amounts Payable) in respect of the theft or attempted theft of radios, tape players, CD shuttles and similar equipment, not supplied by the manufacturers of the vehicle when new or telephones, cellphones and the like.

Exceptions to Sub-Section A

The Company shall not be liable to pay for

(a) consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a Defined Event or otherwise, wear and tear, mechanical or electronic or electrical breakdowns or failures or breakages

(b) damage to tyres by application of brakes or by road punctures, cuts or bursts

(c) damage to springs / shock absorbers due to inequalities of the road or other surface or to impact with such inequalities or other surface

(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 including claimant's costs and expenses in respect of

(i) death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the Insured arising from and in the course of such employment or being a member of the same household as the Insured

(ii) damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from such vehicle.

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

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

2. indemnify any person who is driving or using such vehicle on the Insured's order or with the Insured's permission provided that
   (a) such person shall, as though they were the Insured, observe, fulfil and be subject to the terms, Conditions and Conditions of this insurance in so far as they can apply
   (b) such person has not been refused any motor insurance or continuance thereof by any insurer
   (c) indemnity shall not apply in respect of claims made by any member of the same household as such person
   (d) such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder

3. indemnify the Insured while personally driving or using any private type motor car not belonging to them and not leased or hired to them under a lease or suspensive sale agreement, provided the Insured is an individual and has insured hereunder a vehicle described under definition (a) or (b) and provided the Company shall not be liable for damage to the vehicle being driven or used

4. indemnify the Insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided the Company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

Exceptions to Sub-Section B

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

(a) so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This Exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected

(b) death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in definition (b), (c), (d) or (e) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1 500kg)

(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.
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 R 1 000 per injured occupant but not exceeding R 20 000 (limited to R 30 000 during any one Period of Insurance) in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event.

The amount payable under this Sub-Section shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.

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

Defined vehicle but only if it is Insured under Sub-Section A of this Section  
Specified part of vehicle in which the injury must occur

1  Any vehicle definition (a) or motorised caravan  
       Anywhere inside the vehicle

2  Any other type of insured vehicle other than a bus or taxi  
       The permanently enclosed passenger carrying compartment

Definitions

1.  Occurrence

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

2.  Vehicle

   The term vehicle shall mean:

   (a)  private type motor cars (including station wagons, safari vans, estate cars, multi purpose, special utility and the like or similar vehicles designed to seat not more than twelve (12) persons including the driver)

   (b)  commercial vehicles and special type vehicles as described in the Schedule

   (c)  motor cycles (including motor scooters and 3-wheeled vehicles)

   (d)  buses (including any vehicle used for Business purposes and designed to seat more than twelve (12) persons, including the driver)

   (e)  trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto

   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 reasonable Retail Sale Value of the replacement vehicle or the Limit of Indemnity of the replaced vehicle as stated in the Schedule.

3.  Compulsory motor vehicle insurance enactment

   The term compulsory motor vehicle enactment shall mean the Road Accident Fund (RAF), Act No. 56 of 1996, including any amendments thereto, or any similar Act or legislation operative in any of the territories to which this Section applies.
No claim rebate Provisions (applicable to specified vehicle basis)

In the event of no claim being made or arising under this Section during a Period of Insurance specified below immediately preceding the renewal of this Section, the renewal premium for the insurance of the vehicle(s) will be based on the relevant Claim-Free Group or subject to the No Claim Discount as follows:

**DEFINITION (a)**

<table>
<thead>
<tr>
<th>Period of Insurance</th>
<th>Claim-Free Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>the preceding year</td>
<td>1</td>
</tr>
<tr>
<td>the preceding two consecutive years</td>
<td>2</td>
</tr>
<tr>
<td>the preceding three consecutive years</td>
<td>3</td>
</tr>
<tr>
<td>the preceding four consecutive years</td>
<td>4</td>
</tr>
<tr>
<td>the preceding five or more consecutive years.</td>
<td>5</td>
</tr>
</tbody>
</table>

Otherwise than above, Claim-Free Group 0 applies.

If one or more claims are made or arise under this Section during a Period of Insurance for which the premium is based on Claim-Free Group 4 or 5, then the next renewal premium will be based respectively on Claim-Free Group 2 or 3 and for subsequent renewals as follows:

**(i) CLAIM-FREE GROUP 4**

<table>
<thead>
<tr>
<th>Period of Insurance during which no claim is made or arises</th>
<th>Claim-Free Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>the preceding year</td>
<td>3</td>
</tr>
<tr>
<td>the preceding two consecutive years</td>
<td>4</td>
</tr>
<tr>
<td>the preceding three consecutive years</td>
<td>5</td>
</tr>
</tbody>
</table>

**(ii) CLAIM-FREE GROUP 5**

<table>
<thead>
<tr>
<th>Period of Insurance during which no claim is made or arises</th>
<th>Claim-Free Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>the preceding year</td>
<td>4</td>
</tr>
<tr>
<td>the preceding two consecutive years</td>
<td>5</td>
</tr>
</tbody>
</table>

Otherwise than above, Claim-Free Group 0 applies.

**DEFINITIONS (b) and (e)**

<table>
<thead>
<tr>
<th>Period of Insurance</th>
<th>No Claim Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>the preceding year</td>
<td>15%</td>
</tr>
<tr>
<td>the preceding two consecutive years</td>
<td>20%</td>
</tr>
<tr>
<td>the preceding three consecutive years</td>
<td>30%</td>
</tr>
<tr>
<td>the preceding four consecutive years</td>
<td>40%</td>
</tr>
</tbody>
</table>

Otherwise than above no discount applies.

**DEFINITIONS (c) and (d)**

<table>
<thead>
<tr>
<th>Period of Insurance</th>
<th>No Claim Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>the preceding year</td>
<td>15%</td>
</tr>
<tr>
<td>the preceding two consecutive years</td>
<td>20%</td>
</tr>
<tr>
<td>the preceding three consecutive years</td>
<td>30%</td>
</tr>
<tr>
<td>the preceding four consecutive years</td>
<td>35%</td>
</tr>
</tbody>
</table>

Otherwise than above no discount applies.

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

If more than one vehicle is described in the Schedule to this Section, the Claim-Free Group / No Claim Discount shall be applied as if a separate Section had been issued in respect of each such vehicle.
Extensions and Clauses

1. Contingent liability Extension

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 Such Person 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) the liability of the Company shall not exceed the Limit of Indemnity stated in the Schedule

(ii) all the words in (b) of the Exceptions to Sub-Section B are deleted

(iii) 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

(iv) the payment by the Insured of subsidies or travelling allowances to Such Person for the use of their 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

(v) 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

(vi) the terms, Exceptions and Conditions of this Policy shall otherwise apply.

2. Passenger liability Extension

Exception (b) to Sub-Section B shall not apply to vehicles described in definitions (b), (c), (d) or (e). The Limit of Indemnity for any one occurrence shall not exceed the amount stated in the Schedule.

3. Unauthorised passenger liability Extension

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

4. Parking facilities and movement of third party vehicles Extension

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

(a) with the authority of any tenant, customer or visitor of the Insured or

(b) in connection with the Insured’s parking arrangements or

(c) to facilitate the carrying out of the Insured’s Business

and provided further that the liability of the Company shall not exceed the Limit of Indemnity stated in the Schedule nor shall this Extension apply in respect of damage to vehicles which are parked for reward.

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

The provisions of this Section relating to First Amount Payable and No Claim Rebate shall not apply to any payment for damage to windscreen glass, side or rear glass forming part of any vehicle provided that

(a) no other damage has been caused to the vehicle giving rise to a claim under the Policy

(b) the Insured shall be responsible for the First Amount Payable (applicable to motor glass) stated in the Schedule of each and every loss, other than windscreen repairs.

6. **Loss of keys Extension**

The Company will indemnify the Insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle, following upon the disappearance of any key or alarm controller of such vehicle or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that the Company's liability shall not exceed, in respect of any one event, the amount stated in the Schedule.

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

7. **Fire extinguishing charges Extension**

Costs for any amount not exceeding the amount stated in the Schedule relating to the extinguishing or fighting of fire shall be deemed damage to the insured vehicle and shall be payable in addition to any other payment for which the Company may be liable in terms of this Section, provided the Insured is legally liable for such costs and the insured vehicle was in danger from the fire.

8. **Wreckage removal Extension**

The cover provided under Sub-Section A of this Section is extended to include costs and expenses incurred by the insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a Defined Event, provided that, in addition to the Limit of Indemnity under Sub-Section A of this Section, the limit of the Company's liability under this Extension shall not exceed, in respect of any one occurrence, the limit stated in the Schedule to apply to this Extension.

9. **Credit shortfall Extension**

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

(a) any arrears instalments or rentals including interest payable on such arrears

(b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle

(c) the increased instalments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled

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

provided always that

(i) the amounts payable shall not exceed the maximum indemnity less the First Amounts Payable under Sub-Section A

(ii) this Extension shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than ten percent (10%) from any other instalment

(iii) if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this Extension shall be void.

10. **Vehicle hire Extension**

In the event that any vehicle as specified and insured by Sub-Section A herein, shall suffer damage (other than windscreen glass, side or rear glass damage), be stolen or hijacked, and be subject to an admitted claim in terms of Sub-Section A of this Policy, the Company shall indemnify the Insured for the actual costs of hiring-in a vehicle.
provided always that:

(a) the Insured shall hire-in a similar type of vehicle to the one damaged, stolen or hijacked
(b) the Company shall not be liable for any fuel, servicing or repair costs of the hired-in vehicle
(c) this Section of the Policy shall not insure the hired-in vehicle
(d) the Company’s liability shall commence from the day following the damage or theft or hijack of the vehicle to the day the Insured either receives the vehicle from repairers or in the case of theft or hijack (where the vehicle is not recovered and repaired) the day the Insured takes delivery of a replacement vehicle but shall be limited to a maximum of thirty (30) days any one rental period during any one Annual Period of Insurance
(e) the Company’s liability shall not exceed the limit stated in the Schedule during any one Annual Period of Insurance.

11. Principals Extension

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 (BIFSA), 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.

12. Cross Liabilities Clause

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.

Memoranda

1. Premium adjustment

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

2. War

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

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

3. Description of use

Use for the Business or occupation of the Insured including social domestic and pleasure purposes excluding

hiring, carriage of passengers for hire or carriage of fare paying passengers, racing, speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which the vehicle is constructed or licensed to carry or use for any purpose in connection with the motor trade. The indemnity to the Insured in connection with any vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purpose of the vehicle’s overhaul, upkeep or repair.

Optional limitations

Third party only limitation (if stated in the Schedule to be applicable)

Sub-Sections A and C and the No-Claim Rebate Provisions are cancelled.
Third party, fire and theft only limitation (if stated in the Schedule to be applicable)

The liability of the Company under Sub-Section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat. Further, Sub-Section A 5, Sub-Section C, the No-Claim Rebate Provisions, and Extensions and Clauses 5, 6, 9 & 10 are cancelled.

Specific Exceptions

1. The Company shall not be liable for any accident, injury, loss, damage or liability
   (a) whilst the vehicle is being used 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, Mozambique and Malawi, but the Company will indemnify the Insured against loss of or damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit
   (c) incurred while any vehicle is being driven by
      (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or while the concentration of alcohol in any specimen of blood exceeds the permissible level as set out in the National Road Traffic Act 93 of 1996 or while the concentration of alcohol in any specimen of breath exceeds the permissible level as set out in the National Road Traffic Act 93 of 1996
      (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or whose concentration of alcohol in any specimen of blood exceeds the permissible level as set out in the National Road Traffic Act 93 of 1996 or while the concentration of alcohol in any specimen of breath exceeds the permissible level as set out in the National Road Traffic Act 93 of 1996 or who is not licensed to drive such vehicle, but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the Company that, in the normal course of their Business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles.

2. The Company shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.

Specific Conditions

1. Driver's licences
   1.1 It is a pre-condition of cover that any driver shall be licensed to drive the vehicle.
   1.2 Any driver shall be deemed to be licensed to drive the vehicle if they are complying with the licensing laws relating to any of the territories referred to under Specific Exception (b) or if non-compliance with any licensing law is solely because of failure to renew any 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 learner drivers.
   1.3 If during the currency of this Section, any drivers license in favour of the Insured or the authorised driver is endorsed, suspended or cancelled or if they shall be charged or convicted of negligence, reckless or improper driving, notification shall be sent in writing to the Company immediately the Insured have knowledge of such fact.

2. Roadworthiness
   2.1 It is warranted that the insured vehicle or any part thereof or any trailer attached thereto or forming part of a train of trailers drawn thereby or any part of any such trailer or trailers (all of which are here referred to as “the insured vehicle”) complies in all respects with the requirements of roadworthiness as set out in the National Road Traffic Act 93 of 1996, or any replacement statute, the Regulations thereto or any provincial or local proclamation or statute which is applicable to the insured vehicle.
Breach of this warranty in any manner shall result in no benefit being payable under this Policy, whether or not the insured vehicle's lack of roadworthiness was a cause of or contributed to the occurrence giving rise to such claim.

2.2 All benefit under this Policy shall be forfeited if the insured vehicle, at the time of any accident or loss giving rise to a claim in terms of this Policy, is found not to be in possession of a valid roadworthy certificate and/or operators card, or if any driver is not in possession of a valid professional driving permit in terms of the requirements of the National Road Traffic Act 93 of 1996.

Breach of this clause in any manner shall result in no benefit being payable under this Policy, whether or not the roadworthy certificate and/or operators card and/or professional driving permit was a cause of or contributed to the occurrence giving rise to such claim.
ELECTRONIC EQUIPMENT SECTION

Sub-Section A: Material damage

Defined Events

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

(a) at work or at rest anywhere within the Insured’s premises as specified
(b) in transit including loading and unloading or whilst temporarily stored at any premises en route
(c) temporarily removed from the Insured’s premises to any other location.

Exceptions to Sub-Section A

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

1. the First Amount Payable as stated in the Schedule in respect of Sub-Section A, of each and every occurrence giving rise to a claim. Where more than one item of Property insured suffers physical loss or damage in any one occurrence, the First Amount Payable shall be the highest single amount applicable to such Property insured.

2. derangement unless accompanied by physical damage not otherwise excluded 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 Property insured.

4. faults or defects known to the Insured (or their responsible Employees) at the time this insurance was arranged or during the currency of the insurance or any consequences thereof and not disclosed to the Company.

5. wastage of material or the like or wearing out of any part of the Property insured caused by or naturally resulting from ordinary usage or working or other gradual deterioration, development of poor contacts or scratching of painted or polished surfaces not affecting the operation of the Property insured.

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 short life parts.

7. the cost of reproducing data and / or programmes whether recorded on cards, tapes, discs or otherwise unless specifically provided for in Sub-Section B hereof.

8. loss of use of the property or other consequential loss, damage or liability of whatsoever nature other than losses specifically provided for herein.

9. (a) loss by theft or by disappearance of the Property insured unless accompanied by forcible and violent entry to or exit from the Insured’s premises. Notwithstanding the aforementioned, this Exception shall not apply to portable electronic equipment as specified in the Schedule.

(b) loss of the Property insured by theft during transit or whilst temporarily removed from the Insured’s premises unless identifiable by the Insured with a specific incident which has been immediately reported to the police and the Company.

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

(i) left in the motor vehicle overnight unless the property is out of sight and contained in a completely closed and securely locked vehicle and 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 of the building

(ii) left unattended in a motor vehicle unless contained in a compartment of the motor vehicle which is not visible to passers-by and the vehicle is completely closed and securely locked.
provided that

(i) and (ii) above shall not apply to theft of the Property insured where the transport vehicle has been hijacked or 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.

10. 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.

Basis of indemnification

The basis of indemnity shall be:

1. Partial loss

The costs and expenses reasonably and necessarily incurred by the Insured to restore the damaged property to its working condition immediately before the occurrence of the damage provided that:

1.1 the value of damaged parts which can be used will be deducted
1.2 if, without the consent of the Company, temporary repairs are carried out by the Insured in the interests of safety or to minimize further loss or damage to the Property insured, the cost of such temporary repairs will be borne by the Company. In the event that the temporary repairs aggravate the loss or cause additional loss or damage to the Property insured, any additional costs so incurred or consequence arising therefrom will be for the account of the Insured
1.3 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

The cost of reinstatement of the Property insured lost or damaged to its condition when new provided that:

2.1 reinstatement shall mean replacement of the item lost or damaged by new property of equal performance and / or capacity or, if this is impossible, its replacement by new property having the nearest higher performance and / or capacity including any freight, dues and customs duties less the value of the salvage
2.2 the Sum Insured stated in the Schedule is the installed new replacement value of the Property insured
2.3 reinstatement is carried out without delay and in the most economical manner
2.4 if the Property insured is not reinstated, within a reasonable time following the loss or damage, the Company will indemnify the Insured for the actual value of the Property insured up to the cost of reinstatement.

Specific Condition

Average

In respect of 1. and 2. above, if at the time of loss or damage, 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, then the Insured shall be considered as being their own insurer for the difference and shall bear a rateable proportion of the loss accordingly.

Each item of this Section, if more than one, shall be separately subject to this Specific Condition.
Sub-Section B: Consequential loss

Defined Events

The insurance provided by this Sub-Section of this Section shall be subject to the Limits of Indemnity stated in the Schedule and shall include:

(i) Increased cost of working (if stated in the schedule to be included)

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured 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 in respect of such of the charges and expenses of the Business as may cease or be reduced in consequence of the accident.

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

(a) the cover provided for in item (ii) of this Sub-Section of the Section

(b) the intrinsic value (including reinstatement value) of the Property insured by Sub-Section A of this Section.

(ii) Reinstatement of data/programmes (if stated in the schedule to be included)

Costs and expenses necessarily and reasonably incurred by the Insured for the reconstitution or recompilation of data and/or programmes recorded on or stored in data-carrying media which is lost as a result of:

(a) accidental erasure (which shall include the events defined in Sub-Section A of this Section)

(b) or by theft or by the deliberate wilful or wanton intention of anyone of causing the cancellation or corruption of data or programs as provided for in Sub-Section A of this Section

provided always that:

(i) 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 programmes

(ii) in respect of each and every occurrence or series of occurrences arising out of or in connection with an original cause or source indemnifiable by this item, the Insured shall bear the amount stated in the Schedule as the First Amount Payable

(iii) where the Insured elects to insure programmes (software), a Schedule of such programmes shall be lodged with the Company at the commencement of each Period of Insurance.

Exception to Sub-Section 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.
Extensions

1. **Architects’ and other professional fees Extension (Applicable to Sub-Section A)**
   In addition to the indemnity provided by this Section, the Company shall also indemnify the Insured for 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 **fifteen percent (15%)** of the total amount of the claim, but shall not include expenses incurred in connection with the preparation of the Insured’s claim.

2. **Clearance costs Extension (Applicable to Sub-Section A)**
   Costs necessarily and reasonably incurred by the Insured in respect of demolition or dismantling of property and / or removal of debris and in providing, erecting and maintaining hoardings and other similar structures required during demolition, dismantling, debris removal and reconstruction following indemnifiable loss of or damage to such property, shall be indemnified to the Insured, in addition to the indemnity provided by this Section, provided that the total amount recoverable does not exceed **fifteen percent (15%)** of the total amount of the claim.

3. **Fire extinguishing charges Extension (Applicable to Sub-Section A)**
   Any costs relating to the extinguishing or fighting of fire shall be deemed damage to the Property insured 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’s property was in danger from the fire.

4. **Incompatibility Extension (Applicable to Sub-Sections A and B)**
   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
   (a) modifications or alterations to the Property insured directly consequent upon indemnifiable loss or damage to ensure the operating integrity of the electronic system
   (b) replacement or upgrading of legal programs to achieve compatibility with the modified or altered electronic system
   (c) the restoration of previously captured data which has become inaccessible due to the modifications to or alterations of the electronic system or in consequence of the replacement or upgrading of legal programs
   
   provided always that
   (1) the costs provided for in (a), (b) and (c) above shall be necessarily and reasonably incurred to maintain normal working conditions
   (2) such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of Sub-Sections A or B – item (ii) of this section of the policy
   (3) the cover afforded hereunder shall be restricted to
     (i) parts or components of the electronic system which are not indemnifiable under Sub-Section A hereof
     (ii) programs or data reinstated not indemnifiable under item (ii) of Sub-Section B hereof
   (4) the indemnity by this Extension shall, in respect of any one event, be limited in the aggregate to **twenty percent (20%)** of the applicable total Sum Insured under Sub-Section A and the Limit of Indemnity under Sub-Section B – item (ii) hereof or **R 25 000**, whichever is the lesser.
ACCOUNTS RECEIVABLE SECTION

Defined events

Loss or damage as a result of accident or misfortune (hereinafter termed Damage) to the Insured’s books of account or other business books or records at the premises or at the residence of any director, partner or Employee or the premises of any accountant of the Insured, in consequence whereof the Insured are unable to trace or establish the outstanding debit balances in whole or part due to them provided that the liability of the Company shall not exceed the Sums Insured stated in the Schedule and the Basis of Indemnity stated herein.

If, because of imminent danger of their destruction, such books of account or other business books or records are removed to a place of safety, the insurance hereunder shall apply if such goods are destroyed, damaged or lost as aforesaid during such removal or while so located or being returned to the premises, provided the Insured shall notify the Company in writing of such removal within thirty (30) days thereafter.

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

Specific exceptions

The Company will not pay for

(a) loss resulting from loss or damage to the books of account or other business books or records caused by
   (i) wear and tear or gradual deterioration or moths or vermin
   (ii) detention, seizure or confiscation by any lawfully constituted authority
   (iii) electrical or electronic or magnetic injury, disturbances or erasure unless the Insured maintains the duplicate records referred to in the Duplicate records Clause of this section, in which case the Insured will be responsible for the first R 500 of each and every loss

(b) loss caused by fraud or dishonesty of any principal, director, partner or Employee of the Insured.

Basis of Indemnity

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

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

provided that

if the Sum Insured under this item is less than the outstanding debit balances, the amount payable shall be proportionately reduced.

Definition

Outstanding debit balances

The total declared in the statement last given under the provisions of the following memorandum adjusted for

(a) bad debts

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

and
any abnormal condition of trade which had or could have had a material effect on the Business so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

Clauses and Extensions

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

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

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

Transit Extension (if stated in the schedule to be included)
The insurance under this Section includes loss as defined to the Insured’s books of account or other business books or records whilst in transit to or from the premises or residence of any director, partner, Employee or accountant of the Insured.
Notice supplied in addition to the Statutory Notice supplied with this Policy.

Insurance policies are legal contracts entered into between the Insurance Company (we / us) and the Insured (you / your). The Intermediary (broker) used by you, as your agent and in terms of the Financial Advisers and Intermediary Services Act (FAIS), is obliged to bring to your attention all aspects of the insurance policy that affect the coverage purchased, both the positive and negative aspects.

DEFINITIONS

To assist all concerned, and in particular you, we have produced / reproduced various definitions utilised by us that could affect you in your understanding of the cover provided by this Policy in the General Definitions Section of the Policy.

These definitions are not a comprehensive list of all those used in this Policy, but we believe that they are of such a nature that we should bring them to your specific attention.

There are other definitions used in this Policy but we are confident that the broker is fully aware of definitions used in the South African Business insurance market upon which this Policy has been based.

These definitions do not necessarily appear in this Policy in the same order as they are listed.

Should you require any additional information, or explanation, as to the application of these definitions, or any aspect of this Policy, it is recommended that you contact the broker that arranged this Policy on your behalf.

However, we are always available to assist you should the need arise.

Sincerely,

The Gem & Jewel Team.