



SHORT-TERM
INSURANCE

PRO-INSURE BUSINESS



PPS is unique

PPS Short Term Insurance serves the graduate professional only, and is a subsidiary of PPS Insurance, a member of the PPS Group which operates under the ethos of mutuality. PPS Group is a brand that has been catering for professionals since 1941, and PPS Short Term Insurance continues in this prestigious tradition.

This policy is underwritten by PPS Short-Term Insurance Company Limited
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FOR PROFESSIONALS

SINCE 1941



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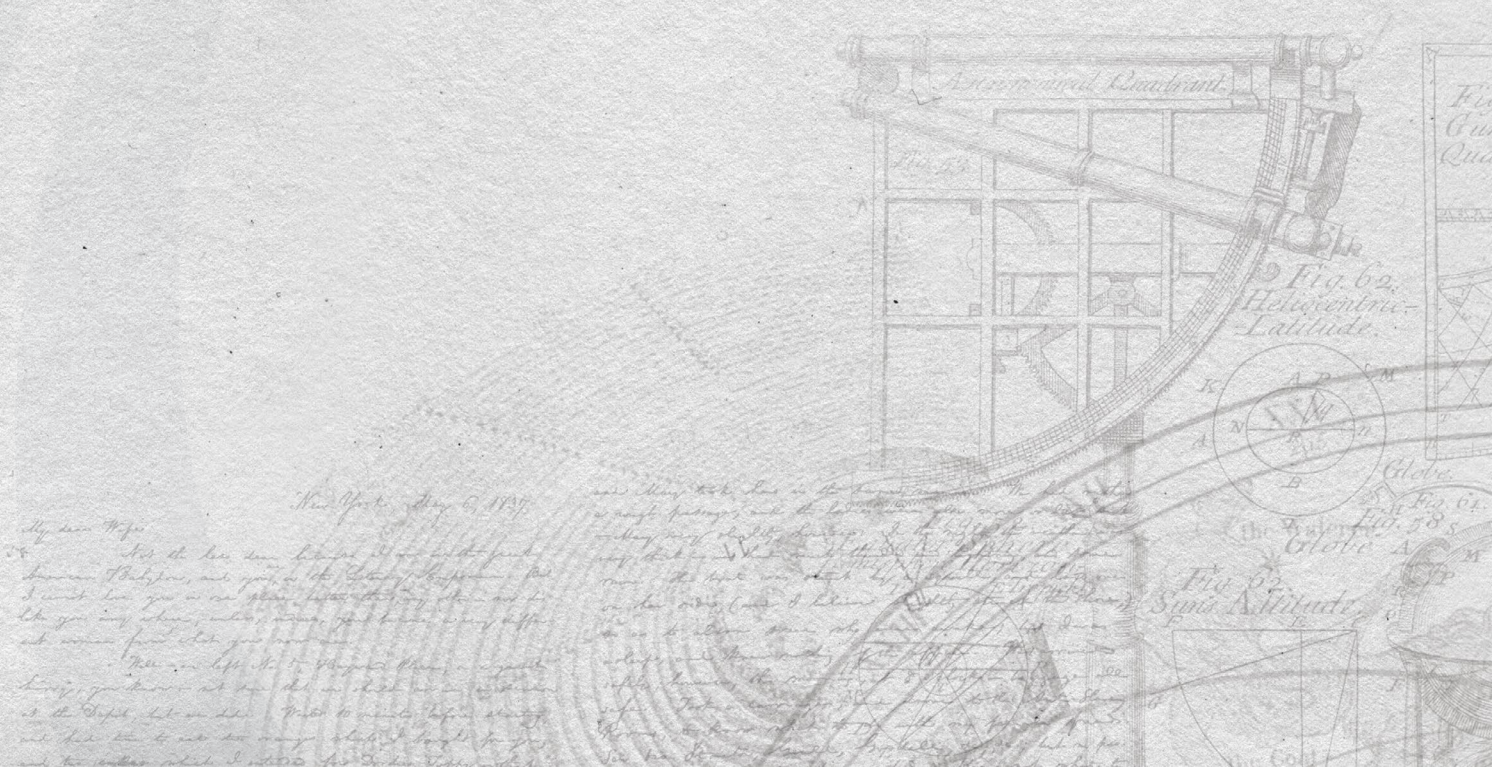
Reference is made in the schedule only to those sections in this index to be included and policy wordings are attached in respect of those sections only.

At first issue of this policy (or any section thereof) please check to ensure that all pages of all included sections are contained in the document.

At renewal or revision, policy wordings will not be reissued. The schedule will be updated and reissued as necessary together with any section schedule which may have changes.



PREAMBLE, GENERAL EXCEPTIONS, CONDITIONS AND PROVISIONS



Preamble

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.

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

General Exceptions

1. War, riot and terrorism

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

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

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

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 clause 1(C) of this exception, loss or damage is not covered by this policy, the burden of proving the contrary shall rest on the insured.

2. Nuclear (not applicable to Fidelity, Stated Benefits and Group Accident sections)

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

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

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

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

3. Computer losses

Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this policy does not cover:

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

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

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

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

Special extension to General exception 3

- A. Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to below or indemnified by the Glass, Employer's Liability, Stated Benefits, Group Personal Accident or Motor section 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;*

*Unless so described and specifically insured as a separate item.

2. aircraft and other aerial devices or articles dropped therefrom;
3. impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

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

- 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 insured property by the perils referred to in Special extension A above.
- C. This Special extension will not insure any loss destruction, damage or consequential loss if it would not have been insured in the absence of this Computer Losses General exception and this Special extension.
- D. This Special extension shall not apply to any Public Liability indemnity.

4. Detention, Confiscation and Forfeiture (not applicable to Stated Benefits, Group Personal Accident, Public Liability, Employers' Liability and Extended Liability sections)

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

5. Asbestos exclusion

Applicable to the Public Liability, Extended Liability, Employers Liability sections of this policy 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 any way involving, or to the extent contributed to, by the hazardous nature of asbestos in whatever form or quantity.

6. Sanctions and prohibition of financial transactions with sanctioned individuals or entities exclusion

The Company shall not provide cover and shall not be liable to pay claims or provide any benefit hereunder to the extent that the provision of such cover, payment of such claims or provisions of such benefit would expose

the Company to any sanction, prohibition or restriction under United Nations resolution or trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America irrespective of enactment in the jurisdiction where indemnity or benefit is provided or payment made.

General Conditions

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

1. Misrepresentation, misdescription and non-disclosure

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

2. Other insurance

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

3A. Cancellation

This policy or any section may be cancelled at any time by the Company giving 30 days' notice in writing (or such other period as may be mutually agreed) or by the insured giving immediate notice. On cancellation by the insured, the Company shall be entitled to retain the customary short period or minimum premium for the 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.

3B. Continuation of cover (where premium is payable by bank debit order)

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 by 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 paying agent

Due date will be, the first day of every calendar month where premium is payable monthly or the first day of each twelfth calendar month where the premium is paid 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 twelve consecutive months from the inception date or anniversary date, furnish the Company with such particulars and information as the Company may require for the purpose of recalculation of the premium for such period. Any difference shall be paid by or to the insured as the case may be.

5. Prevention of loss

The insured shall take all reasonable steps and precautions to prevent accidents or losses.

6. Claims

- a. On the happening of any event which may result in a claim under this policy the insured shall, at their own expense:
 - i. give notice thereof to the Company as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured
 - ii. as soon as practicable after the event inform the police of any claim involving theft or (if required by the Company) loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property

- iii. as soon as practicable after the event submit to the Company full details in writing of any claim
 - iv. give the Company such proof, information and sworn declarations as the Company may require and forward to the Company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the insured in connection with the event giving rise to the claim.
- b. No claim (other than a claim under the Business Interruption, Fidelity, Stated Benefits or Group Personal Accident section or the Personal Accident (assault) extension under the money section, if applicable) shall be payable after the expiry of 24 months or such further time as the Company may allow from the happening of any event unless the claim is the subject of pending legal action 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 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 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 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 on demand 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) above: "give the leading insurer on behalf of the insurers such proof, information and sworn declaration as the insurers may require and forward to the leading insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the insured in connection with the event giving rise to the claim." 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 conditions of this policy,
 - i. take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence of the insured to the lead insurer on behalf of all insurers to do so. The insured shall not be entitled to abandon any property to the insurers whether taken possession of by the leading insurer or not
 - ii. take over and conduct in the name of the insured the defence or settlement of any claim and prosecute in the name of the insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity shall be made by the insured without the written consent of the leading insurer.
- b. The insured shall, at the expense of the insurers, do and permit to be done all such things as may be necessary or reasonably required by the insurers for the purpose of enforcing any rights to which the insurers shall be or would become subrogated upon indemnification of the insured whether such things shall be required before or after such indemnification.
- c. In respect of any section of this policy under which an indemnity is provided for liability to third parties, the insurers may, in the case of any event, pay to the insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the insurers shall thereafter not be under further liability in respect of such event.

13. Consent to disclosure of private information

- a. The Insured acknowledges that the sharing of information for underwriting and claims purposes is in the public interest, as it will enable insurers to underwrite policies and assess risks fairly and reduce the incidence of fraudulent claims with a view to limiting premiums.
- b. On behalf of the Insured and on behalf of anyone the Insured represents herein, the Insured hereby waives any right to privacy with regard to any underwriting and claims information in respect of any insurance policy or claims made or lodged by the Insured, or on behalf of the Insured.
- c. The Insured consents to such information being stored in the shared database and used as set out above.
- d. The Insured also consents to such information being disclosed to any insurer or its agent.
- e. The Insured further consents to any underwriting information being verified against legally recognised sources or databases.

- f. The Insured agrees that this consent clause will survive the termination for whatever reason of the policy, including its cancellation or lapsing.

14. Jurisdiction

This policy will be governed by the laws of the Republic of South Africa, whose courts shall have jurisdiction in any dispute arising hereunder.

General Provisions

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

A. Claims preparation costs

The insurance provided 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 5 000, plus any amount stated in the schedule to each section against an item for additional claim preparation costs.

B. Payments on account

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

C. 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.

D. Members

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

E. 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.

F. 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.

G. Premium payment

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

H. Holding covered

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

I. 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.

J. Security firms

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

The Company shall not raise as a defence to any valid claim submitted under any section or sub-section of this policy that the Company's rights have been prejudiced by the terms of any contract entered into between the insured and any security provider relating to the protection of the insured property.

K. Value-added Tax (VAT)

Definition

VAT shall mean the amount of value-added tax payable by the insured or the Company to the revenue authorities in the Republic of South Africa.

All monetary amounts stated in the policy such as sums insured, limits of indemnity, premiums and first amounts payable are deemed to be value-added tax (VAT) inclusive amounts.

Defined Events

Damage to the whole or part of the property described in the schedule, owned by the Insured or for which they are responsible, including alterations by the Insured as tenants to the buildings and structures, by:

1. fire;
2. lightning or thunderbolt;
3. explosion;
4. such additional perils as are stated in the schedule to be included.

Specific Exceptions

1. This section does not cover earthquake (whether arising from mining operations or otherwise) unless added as an additional peril, volcanic eruption or other convulsion of nature (other than subterranean fire).

Any damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be damage which is not covered by this insurance, except to the extent that the Insured shall prove that such damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where the Company alleges that, by reason of this exception, any damage is not covered by this insurance, the burden of proving the contrary shall be on the Insured.

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

Specific Condition

Average

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

Additional Perils

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

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

A. Earthquake extension (if stated in the schedule to be included)

Damage caused by earthquake but excluding damage to property in the underground workings of any mine.

B. Special perils extension (if stated in the schedule to be included)

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;
 - 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.*

**Unless so described and specifically insured as a separate item.*

- 2. aircraft and other aerial devices or articles dropped therefrom;
- 3. impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.

This extension does not cover:

- a. wear and tear or gradual deterioration;
- b. damage caused or aggravated by:
 - i. leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby;
 - ii. subsidence or landslide;
 - iii. the Insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.

C. Leakage extension (if stated in the schedule to be included)

Damage caused by discharge or leakage from any sprinkler, drencher system or fire extinguishing installation/appliance.

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

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

In respect of this extension only, specific exception 1 to this section is deleted.

D. Malicious damage extension (if stated in the schedule to be included)

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

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

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

provided that this extension does not cover:

- i. damage related to or caused by fire or explosion;
- ii. consequential or indirect damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- iii. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- iv. damage occasioned by permanent or temporary dispossession resulting from confiscation,

commandeering or requisition by any lawfully constituted authority;

- v. damage related to or caused by any occurrence referred to in General exception 1 (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 (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

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

During the period of the initial unoccupancy of 30 consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% of the claim with a maximum of R5 000 000 before deduction of any first amount payable.

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

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

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

Provided that this extension does not cover:

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

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

F. Subsidence and landslip extension (if stated in the schedule to be included)

Damage caused by subsidence or landslip:

provided that the Insured shall bear the first portion of each and every claim up to an amount calculated at 1 percent of the sum insured on the property or R5 000 whichever is the greater.

This extension does not cover:

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

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

Clauses and Extensions

1. Power Surge

The insurance under this section covers damage caused by power surge provided that:

- a. the Company's liability for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed the amount stated in the schedule;
- b. the Insured shall be responsible for the first amount payable stated in the schedule;
- c. Average is not applicable.

2. Rent clause (if insured under column 2)

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

- a. **Rent receivable** – the actual rent receivable by the Insured at the time of the event in respect of the aforesaid premises or on such part of the same as may then be let.
- b. **Rent payable** – the actual rent payable by the Insured to the owner or landlord of the said premises.
- c. **Rental value** – the actual rental value of the said premises.

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

3. Designation of property clause

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

4. All other contents clause

The term all other contents referred to in the definition of property under column 3 of the schedule includes, but is not restricted to personal effects, tools and pedal cycles, the property of the Insured or directors or employees of the Insured in so far as such property is not otherwise insured.

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

5. Limitations clause

The Company's liability under column 3 of the schedule is restricted in respect of:

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

6. Alterations and misdescription clause

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

7. Architects' and other professional fees clause

The insurance under columns 1 and 3 of the schedule includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 20 percent of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected.

The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the Insured's claim.

8. Capital additions clause

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property other than stock and materials in trade for an amount not exceeding 20% 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.

9. Cost of demolition and clearing and erection of hoardings clause

The insurance under this section includes costs necessarily incurred by the Insured in respect of the demolition of buildings and machinery and/or the removal of debris (including stock debris) 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/section.

10. Fire extinguishing charges clause

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

The Company's liability is limited to the amount specified in the schedule in respect of anyone event.

11. Mortgagee clause

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

12. Municipal plans scrutiny fee clause

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

13. Public authorities' requirements clause

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

1. the amount recoverable under this clause shall not include
 - a the cost incurred in complying with any of the aforesaid regulations,

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

14. Railway and other subrogation clause

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

15. Reinstatement value conditions clause

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

provided that:

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to 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 insured property had been damaged, exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then the Insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision;
4. these conditions shall be without force or effect if:
 - a. the Insured fails to intimate to the Company within six months of the date of damage or such further time as the Company may in writing allow, his intention to replace or reinstate the property;
 - b. the Insured is unable or unwilling to replace or reinstate the property on the same or another site.

16. Alternative replacement conditions (design capacity) clause

In the event of property insured which has a measurable function, capacity or output being damaged by a defined event and it not being possible to replace or reinstate such property in terms of the reinstatement value conditions, then the Company will pay the cost of replacing such property with property the quality, capacity, function or output of which is as near as possible but not inferior to that of the original property provided that:

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

17. Temporary removal clause

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

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

18. 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 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.

19. Public supply connections clause

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

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

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

1.
 - a. The Insured shall declare to the Company in writing the market value of their stock and materials in trade on the last day of each month/quarter (as stated in the schedule) and shall make such declaration within 30 days thereof, otherwise they shall be deemed to have declared the sum insured on such property as the market value thereof.
 - b. After each period of twelve consecutive months from the inception date or anniversary date, the premium shall be calculated on the average sum insured, namely the total of the values declared or deemed to have been declared, divided by the number of declarations due to have been made. If the resultant premium differs from the provisional premium, the difference shall be payable by or to the Insured as the case may be, but the amount payable by the Company shall not exceed 50% of the provisional premium.
2. Any claim hereunder shall be settled on the basis of the market value immediately anterior to the damage.
3. If, after the occurrence of damage, it is found that the amount of the last declaration is less than the amount that ought to have been declared, then the amount which would have been recoverable by the Insured shall be reduced in such proportion as the amount of the said declaration bears to the amount that ought to have been declared or to the sum insured, whichever is the lesser amount. The provisions of this condition shall, if applicable, operate cumulatively with the provisions of the specific condition relating to average.
4. In consideration of the insurance not being reduced by the amount of any loss, the Insured shall pay additional

premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra premium shall not be taken into account in, and shall be distinct from, the final adjustment premium.

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

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

During each period of insurance, the sum(s) insured under columns 1 and/or 3 of this section shall be increased by that portion of the percentage specified in the schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the sum(s) insured in force at the commencement of the period of insurance.

At each renewal date, the Insured shall notify the Company of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this clause shall cease to apply.

The additional premium for this extension shall be calculated by the Company.

22. Disposal of salvage clause (if stated in the schedule to be included)

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

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

23. Trademark, guarantee and label clause

In the case of damage by a defined event to property insured carrying a trademark, guarantee or label or where the sale of such property in any way carries a guarantee or where the sale of such property may have an adverse effect upon the market value of similar property, the Company agrees to remove all such trademarks, guarantees and labels before disposing of and determining the value of the salvage.

If trademark, guarantees and labels cannot be removed from containers the contents shall be removed and placed in plain containers.

In the case of damage to labels or names, the amount payable shall be the cost of relabelling and or reconditioning the property.

24. Security Services

The Company will pay up to the amount in the schedule for costs actually and necessarily incurred in employing security services to protect or attempt to protect the insured property following an insured event including the cost of boarding-up or temporary repairs or repair of the burglar alarm system following such insured event.

25. Deterioration of Stock Extension (if stated in the Schedule to be included)

Notwithstanding anything contained herein to the contrary, it is hereby agreed that in the event of deterioration of stock in trade in any refrigeration unit or deep-freezer at the premises occupied by the insured caused by:

- I. accidental, unforeseen and sudden physical damage to the refrigeration machinery;
- II. failure of power from any accidental cause, except shortage of fuel or water at any power station or drought;
- III. contamination by refrigeration fumes arising as a direct result of unforeseen and sudden physical damage to the refrigeration machinery.

The Company will indemnify the insured for loss of such stock in trade not exceeding the amount specified in the Schedule in respect of each and every claim. The Company will not be responsible for the first 10%, minimum R250 of each and every claim.

Dear customer...

Sasria provides short-term insurance cover against special risks that the broader insurance industry does not cover. Examples of these special risks are civil commotion, strike, riot, public disorder and terrorism.

This document is the legal and official version of your Sasria policy wording. The laws of South Africa govern this policy.

Your contract with Sasria comprises:

- the policy wording (this document);
- the Sasria policy schedule;
- any information that you, or someone acting on your behalf, supply to us; and
- any amendment to the policy.

Please read the wording carefully to make sure that you understand what your policy covers. You must always read the wording together with the Sasria schedule.

We look forward to being of service to you.

How to reach us

011 214 0800 or 086 172 7742 | contactus@sasria.co.za | www.sasria.co.za

General terms and conditions

How you should read this document

"We", "our" or "us" in the wording refers to Sasria SOC Ltd. "You" or "your" in the wording refers to the policyholder.

Words in the singular include the plural. Words in the masculine gender (he) include the feminine gender (she).

Your Sasria policy and the underlying policy

You must have an underlying policy in force

To be insured against the special risks mentioned above, you must have an underlying policy contract in force that includes Sasria cover at the time of the event that gives rise to a loss. If you choose to only take out Sasria cover, there must be a pro forma underlying policy as a formality. The pro forma policy can be issued by any underlying insurer. The underlying insurer must give you Sasria cover regardless of your risk profile.

Sasria policies attach to the underlying policy or they are stand-alone:

- **Attached policies** incorporate the terms, conditions and warranties of the underlying policy with some exceptions (see the next subsection).
- **Stand-alone policies** have their own terms and conditions that are listed in the relevant policy wording.

Policies that attach to the underlying policy	Stand-alone policies
Material Damage (Fire) Contract Works	Motor Business Interruption (Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit, Project Delay)

Policies that attach to the underlying policy

For these policies, the terms, conditions, exclusions and warranties of the underlying policy also apply to the Sasria policy **except for those listed below**:

Standard S.A.I.A. Exceptions

The general exclusions of underlying policies typically include the Standard S.A.I.A. Exceptions. Your Sasria policy covers some of the S.A.I.A. Exceptions, but not all of them.

Your Sasria policy covers **civil commotion, riot, strike, lockout, public disorder, rebellion and revolution and terrorism** (S.A.I.A. Exceptions A(i), A(iii)(b), A(iv), A(v), A(vi) and A(vii) to the extent that A(vii) refers to A(i), A(iii)(b), A(iv), A(v) and A(vi) and C).

Your Sasria policy does not cover **war and war-related activities** (S.A.I.A. Exceptions A(ii), A(iii)(a) and A(vii) to the extent that A(vii) refers to A(ii) and A(iii)(a) and B).

In each policy, see **What we cover** and **What we don't cover** for the details.

If the numbering in your underlying policy does not correspond with the numbering of the Standard S.A.I.A. Exceptions, you must refer to the corresponding contents.

Extensions

Sasria special risk cover only applies to the basic cover of the underlying policy. It does not apply to any additional perils and extensions included in the underlying policy, whether optional or not. Sasria covers its own list of extensions at an additional premium. You will find the list of extensions at [Material Damage Section](#). Contact us if you want Sasria cover for any of these extensions.

Excess

For Material Damage (Fire), there is no excess payable if you claim under your Sasria policy.

For Contract Works, the following excess is payable:

For loss or damage to contract works and materials, the excess or first amount payable is calculated as 0,1% of the value of the specific contract for which a claim is made.

The following minimum and maximum amounts apply:

Minimum excess (first amount payable)

- R250 (Domestic risks)
- R2 500 (All other risks)

Maximum excess (first amount payable)

- R25 000

For loss or damage to a construction plant, the excess is R1 000 for each loss or damage arising from any one insured event.

Premium

Any adjustment of the premium clause or condition in the underlying policy will not automatically apply to your Sasria policy.

Period of insurance

The period of insurance of your Sasria policy is the same as the period of insurance of the underlying policy.

Sasria and the underlying insurer must sign your schedule

For your Sasria contract to be valid, the Sasria schedule must bear the signatures of a director of Sasria and the underlying insurer.

Cancellation

Only you have the option to cancel Sasria cover; Sasria will never cancel your cover.

If an underlying policy is cancelled, it does not automatically result in cancellation of your Sasria cover. The underlying insurer must give you the option to keep your Sasria cover except if the cancellation was due to non-payment. If you choose to keep your Sasria cover, the underlying insurer will issue a pro forma policy to which your Sasria policy will attach.

Our rights

To review rates and premiums

We reserve the right to review the terms and conditions of a policy, including rates and premiums, in line with all applicable laws (e.g. the Policyholder Protection Rules). Where necessary, some or all classes of business rates and premiums may be reviewed with reference to trends, expectations and assumptions, including but not limited to the following:

- a) Documented trend of poor performance on class or classes of business over the last three (3- to five (5) years;
- b) Reasonably balancing the interests of Sasria SOC Ltd and its policyholders' expectations; and
- c) The extent to which the assumptions on which the premium was based have been met.

In accordance with the law, we will duly notify the policyholder in writing, through our distribution channels, of the details of the pending review; the effective date of the review; the reasons for the review; the implication of the review; the policyholder's rights and obligations regarding the review,

including any cooling-off rights offered and procedures applicable for the exercise thereof; and any other relevant details.

Each policyholder will be given a reasonable notice period to make an informed decision as to whether the policy continues to meet the policyholder's requirements as a result of the reviewed terms and conditions.

To take possession of damaged property

When you claim under this policy, you agree that we, and any person authorised by us, have the right to enter the damaged property, or take possession of it, and deal with it in any reasonable manner. This right does not imply that we accept liability for the claim. It also does not diminish our right to apply any condition of this policy.

You remain responsible for all damaged property until it is in our possession.

To take legal action on your behalf

If we have compensated you for loss or damage, we have the right to recover our costs from the responsible third-party. We have the right to take legal action on your behalf to defend or settle any third-party claim. You agree that we may conduct the legal proceedings to our full discretion.

You must cooperate fully with us. Specifically, you agree to:

- do nothing that will prejudice or limit our rights;
- give us all information and documents we require;
- sign any document or affidavit that we request to enable us to exercise our rights;
- attend depositions, hearings, trials and give evidence as necessary; and
- make no admission, offer, promise, payment or statement about Sasria's liability without our written consent.

Transfer of rights

Only you have the right to claim against us under this policy. This right may only be transferred to another person or entity if you should die or if the law orders it.

Sharing information

By entering into a contract with Sasria, you waive your right to privacy and agree that we may disclose to any other insurance company any relevant information that you, or someone else on your behalf, has provided to us.

Your responsibilities

To be covered

To be covered under your Sasria policy:

1. The underlying policy must have been valid and active on the date of the insured event for which you claim;
2. The Sasria premium payments must be up to date and we must have received all such payments; and
3. You must, for attached policies, comply with the terms and conditions of your Sasria policy and those of the underlying policy (with the exceptions described above under **Policies that**

attach to the underlying policies). For stand-alone policies, you must comply with the terms and conditions of your Sasria policy.

Pay the premium in advance

Your Sasria premium is payable in advance per month or per year. If the period of insurance is more than one month, but less than 12 months, the full annual premium will be payable in advance.

If we do not receive your premium by the due date, we will consider this policy to have lapsed at 24:00 (midnight) of the last day of the previous period of insurance, unless you can prove that the failure to pay was an error on the part of our agent or your broker.

Take all reasonable precautions

You must take all reasonable action to prevent loss or damage.

Do not withhold information or commit fraud

It is your responsibility to make sure that you give us all relevant information and that this information is complete, correct, and remains correct. If you withhold any information, or give us false or incorrect information, we may refuse to pay your claim.

We have the right to verify or investigate any information that you submit.

We have the right to reject a claim if you, or any person representing you, commit fraud in terms of this Sasria policy. If we refuse to pay your claim because of fraud or attempted fraud, we will not refund premiums already paid and may start legal proceedings against the defrauding party.

You commit fraud if you, or anyone on your behalf:

- submit a false or dishonest claim under this policy;
- use false or dishonest means or false information to benefit from the cover that we provide; or
- deliberately cause an insured event. For example, if you should deliberately cause a fire or add fuel to it.

Compensation

How we compensate you

If you have a valid claim, we will compensate you for the lost or damaged property by making a payment to you, or by repairing, replacing or reinstating the damaged property.

Who gets the compensation?

If we accept liability, we compensate the policyholder, or his beneficiary in the event of his death, except in the following cases:

1. If the lost or damaged property is still under finance, we will pay the financial institution first.
2. If the lost or damaged property has been sold to you, but the seller still has an insurable interest in the property, we will compensate the seller proportionally if you write to us and request us to do so.

If the compensation that settles the claim is accepted, we will have no further liability regarding the claim.

Policy limits

The limits of compensation are detailed in the respective policies.

Agreed value

If the property is leased, rented or hired under an agreement that requires the insured to insure the property and/or be responsible for it at an agreed value, the sum insured will be the stipulated agreed value.

Countries where you are covered

This policy covers only property situated in the Republic of South Africa or in the territorial waters of South Africa. The 1982 United Nations Convention on the Law of the Sea defines territorial waters as "a belt of coastal waters extending 12 nautical miles (22.2 km) from the baseline (usually the mean low-water mark) into the sea".

Sasria has an agreement with the Namibian special risk insurance association (Nasria). In terms of this agreement, you have Sasria cover in Namibia for a maximum of sixty (60) consecutive days.

Disputes

If a dispute arises as to the compensation payable, or the liability of Sasria, we will refer the matter for arbitration in terms of the arbitration laws in force at that time in the Republic of South Africa, at a place that we will determine.

You will not have the right to take legal action against Sasria until the arbiter has made a decision. The decision of the arbiter will be final and binding.

Amendment

You, or Sasria, may amend this policy, but no amendment to this policy will be valid unless a director of Sasria has signed the amendment.

How to claim

What to do after an insured event

1. Contact your underlying insurer. The underlying insurer will let you know if you have a special risk claim and will handle the Sasria claim on your behalf.
2. Report the incident to the police within 48 hours and get a case number.
3. Do not make any offer or promise or admit responsibility.
4. Do not leave any damaged property without supervision, if possible.

You must claim, or notify us of the intention to claim, under this policy within thirty (30) days of the date of the insured event.

If we receive your claim or notification more than twelve (12) months after the date of the insured event, we will not consider liability, unless the claim is the subject of pending legal action or if the underlying insurer has not yet completed the final assessment of the loss. It is your responsibility to notify Sasria immediately of a pending legal action or delay in the final assessment.

Supporting documents

For all claims, we will request supporting documents or information. Your underlying insurer will send you a list of all the required documents.

Material damage (Fire)

Material damage (Fire) attaches to the underlying policy. Please see the general terms and conditions above for an explanation of attached policies.

Important words and phrases

Word or phrase	Defined meaning
Civil commotion	Large-scale violence by members of the public, causing injury to people or damage to property.
Consequential loss	Loss or damage that is not directly caused by an insured risk, but which is an indirect consequence or result of the insured risk.
Labour disturbance	<p>In the case of Slabbert Burger vs Sasria, disturbance in a labour context was defined as "an overt disturbance of the public peace in defiance of authority, leading to physical damage".</p> <p>Sasria will only consider a claim for loss or damage as a result of a labour disturbance if all four of the following elements are present:</p> <ul style="list-style-type: none"> • A disturbance of the public peace; • Which happens openly, or which is clear upon observing; • In disobedience of authority; and • Which leads to physical loss or damage.
Lockout	<p>According to section 213 of the Labour Relations Act (66 of 1995), a lockout means "the exclusion by an employer of employees from the employer's workplace, for the purpose of compelling the employees to accept a demand in respect of any matter of mutual interest between employer and employee, whether or not the employer breaches those employees' contracts of employment in the course of or for the purpose of that exclusion".</p> <p>This definition may be amended by South African law from time to time.</p>
Looting	<p>To steal goods, typically during a riot, strike or civil commotion. Looting must take place during an event that Sasria covers.</p> <p>Sasria does not cover theft.</p>
Policyholder	<p>The person(s) or juristic entity in whose name the policy is issued.</p> <p>A policyholder could be:</p> <ul style="list-style-type: none"> • A holding company and all its subsidiaries (as set out in the Companies Act, 61 of 1973); or • A subsidiary of the holding company; or • An entity other than a company; or • A person or persons.

Public disorder	A riot or other civil commotion that gives rise to a serious risk to public safety, whether at a single location or resulting from a series of incidents in the same or different locations.
Riot	<p>In terms of case law, riot means the tumultuous disturbance of public peace by an assembly of three or more persons acting together in the execution of some private objective.</p> <p>Sasria will only consider a claim for loss or damage as a result of a riot, if all four of the following elements are present:</p> <ul style="list-style-type: none"> • Three or more persons who have assembled with the same objective; • A tumultuous disturbance of the public peace; • Which leads to strife, violence or threats of violence; and • Physical loss or damage. <p>In terms of this definition, Sasria does not consider the violent acts of three or more people who have different objectives as a riot.</p>
Strike	<p>According to section 213 of the Labour Relations Act (66 of 1995), a strike means "the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee, and every reference to 'work' in this definition includes overtime work, whether it is voluntary or compulsory".</p> <p>This definition may be amended by South African law from time to time.</p>
Terrorism	<p>The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims.</p> <p>Please note that Sasria cover does not extend beyond the borders of South Africa. In other words, if terrorism happens outside the borders of South Africa, Sasria does not cover that. Furthermore, Sasria does not cover consequential loss emanating from any acts of terrorism.</p>

WHO do we cover?

In the Material Damage policy, Sasria covers the policyholder.

What we cover

Sasria will compensate you for the loss of, or damage to, property insured in the underlying policy, if that loss or damage is directly related to, or caused by:

1. Any riot, strike or public disorder or any act or activity which is calculated or directed to bring about a riot, strike or public disorder;
2. 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;
3. 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;

4. Any attempt to perform any act referred to in clauses 1, 2 and 3 above;
5. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clauses 1, 2, 3 or 4 above;
6. Looting committed as part of the acts described in 1, 2, 3, 4 or 5 above.

What we DON'T cover

Sasria does not compensate you for:

1. Any form of consequential or indirect loss or damage, other than the loss of rent. We will only cover loss of rent if the underlying policy specifically insures it, and only until the insured building is again suitable to be rented out or occupied;
2. Consequential loss or damage resulting from stopping work, totally or partially, or from delaying, interrupting or stopping any process or operation;
3. Loss or damage resulting from a lawful authority confiscating, commandeering or requisitioning insured property, permanently or temporarily, or any attempt to do so;
4. Loss or damage, in any way caused by, or contributed to, an act of terrorism that uses, or threatens to use, any nuclear weapon or device, or any chemical or biological agent;
5. Loss or damage, in any way caused by, or contributed to, war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, 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 a state of siege;
6. Any attempt to perform any act referred to in clauses 4 and 5 above;
7. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clause 4 and 5 above;
8. 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 South African territory to which this policy applies;
9. Loss or damage caused by prevention of access (for example, deterioration of stock or perishables);
10. Loss or damage for which you are liable in terms of a contract, unless you would have been liable for the damage in the absence of the contract;
11. Loss or damage caused directly or indirectly by a nuclear event. A nuclear event is an incident or accident involving the release of radioactive material with negative health and environmental effects.

If we reject a claim by reason of exclusion 5 or 8, you will have to prove that the loss or damage was not related to exclusion 5 or 8.

Conditions

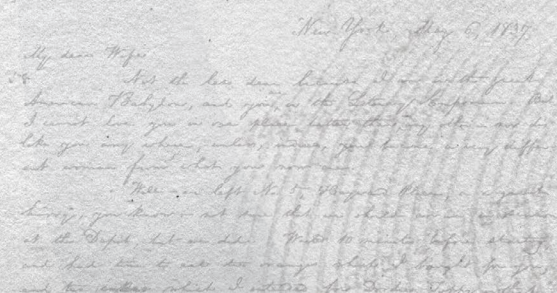
If an insured building or structure is destroyed and Sasria has accepted liability for your claim, you may replace the destroyed building with an equivalent building at another site. Our liability will be limited to the cost of reinstating the destroyed building or structure at the original site.

Compensation

The limit of compensation for the period of insurance is R500 million (excluding VAT), even if the sum insured exceeds R500 million (excluding VAT). Sasria allows for the reinstatement of cover if the limit of compensation has been exhausted during the period of insurance. An additional premium will be charged for reinstated cover for the remainder of the period of insurance.

You may take out additional Sasria cover up to R1 billion at an additional premium. The limit of R1 billion applies to additional cover for Material Damage and Business Interruption combined.

Sasria will base compensation for a single lost or damaged item, or for all the lost or damaged items together, on the sum insured, even if there is a Basis of Loss Settlement clause in the underlying policy.



Defined Events

1. Damage by the perils described
 - a. in sub-section A to the buildings including all outbuildings thereto (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the schedule) and sporting and recreational structures, landlord's fixtures and fittings therein or thereon, walls (except dam walls), gates, posts, fences, and tarred or paved roads, and any other paved or surfaced areas covered with brick, concrete, stone (not gravel), driveways, paths or parking areas.
 - b. in sub-section B to public supply connections situated 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 (Insured perils)

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 landslide;
 - 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, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, 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 insured property becomes unoccupied for 30 consecutive days, this item is suspended as regards the property affected unless the Insured before the occurrence of damage obtains the written agreement of the Company to continue this extension. During the period of the initial unoccupancy of 30 consecutive days the Insured shall become a co-insurer with the Company and shall bear a rateable proportion of any damage equal to 20% of the claim with a maximum of R5 000 000 before deduction of any first amount payable .
7. Accidental damage to sanitary ware, but the amount payable will be reduced by R250 for each and every such damage.

Specific condition (not applicable to item 7 above)

Average

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

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

Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 25% of the sum insured on the affected property. The basis of calculation shall be the rent payable immediately preceding the damage or its equivalent in rental value.

Sub-Section D – Liability

Damages for which the Insured shall become legally liable to pay for and arising out of 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.

Limits of indemnity

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 of R5 000 000.

Specific exceptions (applicable to sub-section D – Liability)

The Company will not indemnify the Insured under this sub-section in respect of:

1. injury or damage sustained by:
 - a. any member of the same household as the Insured;
 - b. any person employed by the Insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the Insured;
 - c. any other person resulting from the ownership of or use by or on behalf of the Insured of mechanically propelled vehicles (except pedal cycles and lawnmowers).
2. damage to property:
 - a.
 - i. belonging to the Insured;
 - ii. in the custody or control of the Insured or any employee of the Insured;
 - b. caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure.
3. liability assumed by agreement unless liability would have attached to the Insured notwithstanding such agreement;
4.
 - a. liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination provided 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 insureds shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the limit of indemnity stated in the schedule.

2. Provided that the aggregate liability of the Company is not increased beyond the limit of indemnity stated, 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 is 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.

Clauses and Extensions

1. Subsidence and landslip extension (if stated in the schedule to be included)

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

- a. Damage caused by subsidence or landslip provided that the Insured shall bear the first portion of each and every claim up to an amount calculated at 1% of the sum insured on the property or R 5 000 whichever is the greater.
 For the purposes hereof, any damage insured shall be deemed to have been caused by fire provided that this extension does not cover:
 - i. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured;
 - ii. damage caused by or attributable to:
 - faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises;
 - workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises;
 - excavation on or under land other than excavations in the course of mining operations;
 - iii. consequential loss of any kind whatsoever except loss of rent.
 In any action suit or other proceeding where the Company alleges that, by reason of the provisions of this extension, any damage is not covered by this insurance, the burden of proving the contrary shall be upon the Insured.

2. Prevention of access extension to sub-section C (if stated in the schedule to be included)

If property within a 15 km radius of the premises stated in the schedule is lost or damaged by a peril defined in Sub-Section A during the period of insurance and this prevents or hinders the use of or access to the property insured by this section, the Company will pay any loss of rent the Insured may incur as a result thereof up to an amount not exceeding 25% 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.

3. Security firms (applicable to sub-section D – liability)

Notwithstanding Specific exception 3, if, in terms of a contract with a security firm engaged in the course of the Insured's business (as owner of the premises specified in the schedule) to protect the Insured's property at the premises stated in the schedule, the Insured becomes legally liable for the acts or omissions of the employees of the security firm in the course of their employment at these premises, then this sub-section includes such legal liability to the extent that indemnity would have been granted under this sub-section had the said employees been

under a contract of service to the Insured and not the security firm, but not exceeding the limit of liability stated in the schedule for this sub-section.

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

4. Power surge

The insurance under this section covers damage caused by power surge provided that:

- a. the Company's liability for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed the amount stated in the schedule;
- b. the Insured shall be responsible for the first amount payable stated in the schedule;
- c. average is not applicable.

5. Architects' and other professional fees clause

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

6. Capital additions clause

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property for an amount not exceeding 20% 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.

7. Cost of demolition and clearing and erection of hoardings clause

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

The Company will not pay for any costs or expenses:

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

8. Fire extinguishing charges clause

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

The Company's liability is limited to the amount specified in the schedule in respect of any one event.

9. Mortgagee clause

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

10. Municipal plans scrutiny fee clause

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

11. Public authorities' requirements clause

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

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

12. Railway and other subrogation clause

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

13. Reinstatement value conditions

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

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made;
2. until expenditure has been incurred by the Insured in replacing or reinstating the property, the Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then the Insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision;

4. these conditions shall be without force or effect if:
 - a. the Insured fails to intimate to the Company within six months of the date of damage, or such further time as the Company may in writing allow, their intention to replace or reinstate the property;
 - b. the Insured is unable or unwilling to replace or reinstate the property on the same or another site.

14. Temporary removal clause

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

provided that:

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

15. 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.

16. Malicious damage extension

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

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

the said immovable property or any part thereof with the intention of stealing any part thereof; provided that this extension does not cover:

- i. loss or damage related to or caused by fire or explosion;
- ii. consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured;
- iii. loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- iv. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority;
- v. loss or damage related to or caused by any occurrence referred to in General exception 1 (A) (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 (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

If any building insured or containing the insured property becomes unoccupied for 30 consecutive days the insurance in respect of this extension is suspended as regards the property affected unless the Insured, before

the occurrence of any damage obtains the written agreement of the Company to continue this extension.

During the period of the initial unoccupancy of 30 consecutive days the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% of the claim with a maximum of R5 000 000 before deduction of any first amount payable.

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

During each period of insurance, the sum(s) insured under sub-section A of this section shall be increased by that portion of the percentage specified in the schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions shall only apply to the sum(s) insured in force at the commencement of the period of insurance.

At each renewal date, the Insured shall notify the Company of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this clause shall cease to apply.

The additional premium for this extension shall be calculated by the Company.

18. Theft extension (if stated in the schedule to be included)

The insurance under this section covers theft of fixtures and fittings forming part of the insured building up to the amount stated in the schedule provided that,

- a. if any building insured or containing the insured fixtures and fittings becomes unoccupied for 30 consecutive days the insurance in respect of this extension is suspended as regards the property affected unless the Insured, before the occurrence of any damage obtains the written agreement of the Company to continue this extension.
- b. During the period of the initial unoccupancy of 30 consecutive days the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% of the claim before deduction of any first amount payable.

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

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

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

Provided that this extension does not cover:

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

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

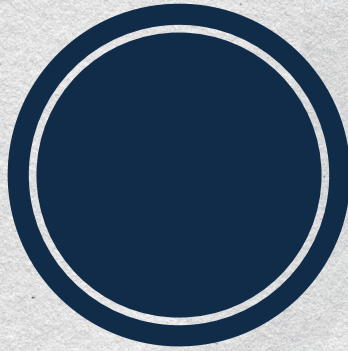
20. Security Services

The Company will pay up to the amount in the schedule for costs actually and necessarily incurred in employing security services to protect or attempt to protect the insured property following an insured event including the cost of boarding-up or temporary repairs or repair of the burglar alarm system following such insured event.

21. Accidental Damage to Machinery (if stated in the schedule to be included)

The Company will pay up to the amount stated in the schedule for sudden and unforeseen damage to machinery of swimming pools, jacuzzis, boreholes (excluding windmills), sprinkle irrigation systems, electric gates and garage doors forming part of the insured building.

The insured is responsible for the first amount payable of 10% of claim, minimum of R250 for each and every occurrence giving rise to a claim.



OFFICE CONTENTS



Defined Events

1. Loss of or damage to the contents (other than documents as defined in sub-section C if insured thereunder and electronic data processing equipment) including landlord's fixtures and fittings the property of the Insured or for which they are responsible and, while contained in the offices and/or consulting rooms situated as stated in the schedule (hereinafter called the office premises) by any of the perils specified in sub-section A.
2. Loss of or damage to the whole or part of the property insured under item C and defined in sub-section C and the consequences thereof insured under item D and as described in sub-section D.
3. Loss and/or expenditure described in sub-sections B and E.

Definition:

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

Sub-Section A – Contents (Insured perils)

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 but excluding loss of or damage to property in the underground workings of any mine.
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 or vehicles or property in or on such vehicles.
6. Accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture.

Limitations Clause

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

Specific Condition

Average (not applicable to peril 6 above nor to the power surge, theft or the theft by forcible entry extensions)

If the property insured is, at the commencement of any loss or damage to such property 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 accordingly. Each item of the schedule covering such property shall be separately subject to this condition.

Specific exception (applicable to sub-section A)

This sub-section does not cover:

- a. property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
- b. designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of sub-section A), stock in trade, samples, motor vehicles and accessories therefor, money, securities, stamps, jewellery or precious stones;
- c. the first amount payable stated in the schedule if the loss or damage is due to lightning strikes.

Sub-Section B – Rent

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

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

Sub-Section C – Documents (if stated in the schedule to be included)

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

Definition

The term documents shall mean:

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

Limitations clause

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

Specific exception (applicable to sub-section C)

This sub-section does not cover:

- a. loss 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 or inherent 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 has the right at all times to govern, control and direct in the performance of his 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 reshooting films and videos and rerecording audio tapes.

Sub-Section D – Legal Liability Documents (if stated in the schedule to be included)

Legal liability for and arising out 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.

The Company's liability is limited to the amount stated in the schedule for one event.

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.

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."

Sub-Section E – Increase In Cost Of Working

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

The indemnity under this sub-section shall not exceed 25% of the sum insured on all contents of the office premises affected.

Clauses And Extensions

1. Power surge extension

The insurance under this section covers damage caused by power surge provided that:

- a. the Company's liability for any claim or number of claims for any one event or series of events with one originating cause or source, shall not exceed the amount stated in the schedule;
- b. the Insured shall be responsible for the first amount payable stated in the schedule;
- c. average is not applicable.

2. Alterations and misdescription clause

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

3. Capital additions clause

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property other than stock and materials in trade for an amount not exceeding 20% 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.

4. Fire extinguishing charges clause

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

The Company's liability is limited to the amount stated in the schedule for one event.

5. Locks and keys clause

In addition to the limit of indemnity stated in the schedule, the Company will indemnify the Insured in respect of the cost of replacing locks and keys to any insured office premises / consulting rooms following upon the disappearance of any key to such premises or following upon the Insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that:

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

6. New and additional premises clause

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

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

7. Removal of debris clause

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

The Company will not pay for any costs or expenses:

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

8. 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 insured property by any peril hereby insured against while such property is temporarily contained in any building in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi shall be deemed to be loss or damage happening while such property is contained in the office premises.

9. Temporary repairs and measures after loss clause

The insurance under this section is 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 insured property by any peril hereby insured against, provided that the liability of the Company for such loss or damage and costs and expenses shall not exceed the sum expressed in the schedule to be insured on the property affected.

10. 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.

11. Replacement value condition

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

12. Malicious damage extension

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

1. movable property which is:
 - a. stolen;
 - b. damaged in an attempt to remove it or part of it from any premises owned or occupied by the Insured;
2. movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the Insured;
3. immovable property owned or occupied by the Insured occasioned by or through or in consequence of:
 - a. the removal or partial removal or any attempt thereof;
 - b. the demolition or partial demolition or any attempt thereof of the said immovable property or any part thereof with the intention of stealing any part thereof;provided that this extension does not cover:
 - i. damage related to or caused by fire or explosion;
 - ii. consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured;
 - iii. damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
 - iv. damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
 - v. damage related to or caused by any occurrence referred to in General exception 1(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 (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

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

During the period of the initial unoccupancy of 30 consecutive days, the Insured shall become a co-insurer with the Company and shall bear a proportion of any damage equal to 20% of the claim with a maximum of R5 000 000 before deduction of any first amount payable.

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

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

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

If the Company alleges that, by reason of proviso (i), (ii), (iii), (iv) or (v), loss or damage is not covered by this section, the burden of proving the contrary shall rest on the Insured.

14. Property owned by any partner director or employee

The insurance under this section includes loss of or damage to personal effects, tools and pedal cycles by any of the perils specified in sub-section A, the property of the Insured or any principal, partner, director or employee of the Insured whilst at the insured premises stated in the schedule provided that,

- a. such property is not otherwise insured;
- b. the Company's liability shall not exceed the amount stated in the schedule in respect of anyone event.

15. Theft by forcible entry extension (if stated in the schedule to be included)

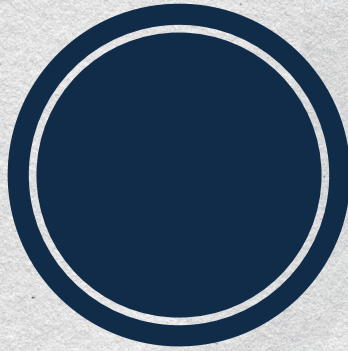
The insurance under this section covers theft of the insured contents accompanied by forcible and violent entry into or exit from the offices / consulting rooms or any attempt thereat or as a result of theft or any attempt thereat following violence or threat of violence up to the amount stated in the schedule provided that

- i. the Company will not be liable under this extension for theft or attempted theft by any principal, partner, director or employee of the Insured;
- ii. the amount payable will be reduced by the first amount payable shown in the schedule for this extension;
- iii. the maximum amount payable will not exceed the amount stated in the schedule for this extension less its first amount payable.

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

The insurance under this section covers theft or any attempt thereat of the insured contents from the offices / consulting rooms or any attempt thereat up to the amount stated in the schedule provided that

- i. the amount payable will be reduced by the first amount payable stated in the schedule for this extension;
- ii. the maximum amount payable will not exceed the amount stated in the schedule for this extension less its first amount payable.



BUSINESS INTERRUPTION



New York, May 6, 1837.

My dear Wife

As the time has come when I am to go to the great
business of the world, and you, as the lady of the house, I
must leave you in the place of the lady of the house, and I
like you very much, and I am sure you will be very happy
and contented with your new situation.

Now, my dear wife, I leave you in the hands of the great
business of the world, and I am sure you will be very happy
and contented with your new situation.

Defined events

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

- i. the fire section of this policy;
- ii. the buildings combined section of this policy;
- iii. the office contents section of this policy;
- iv. any other material damage insurance covering the interest of the insured;

but only in respect of perils insured under the fire section hereof (hereinafter termed Damage).

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

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

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 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.

Item 1 gross profit (Difference Basis)

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

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

and the amount payable as indemnity hereunder shall be

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

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

Item 1 gross profit (Additions Basis)

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

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

and the amount payable as indemnity hereunder shall be

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

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

Memorandum

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

Item 2 gross rentals

The insurance under this item is limited to:

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

and the amount payable as indemnity hereunder shall be

- a. in respect of loss of gross rentals the amount by which the gross rentals during the indemnity period shall in consequence of the Damage fall short of the standard gross rentals
- b. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of gross rentals which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of gross rentals thereby avoided;

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

Item 3 revenue

The insurance under this item is limited to:

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

and the amount payable as indemnity hereunder shall be

- a. in respect of loss of revenue the amount by which the revenue during the indemnity period shall, in consequence of the Damage, fall short of the standard revenue
- b. in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of loss of revenue thereby avoided;

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

Item 4 additional increase in cost of working

The insurance under this item is limited to 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.

The Company's liability shall not exceed the amount stated in the schedule in respect of any one event.

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.

The Company's liability shall not exceed the amount stated in the schedule in respect of any one event.

Definitions

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

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

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

Gross rentals: The money paid or payable to the insured by tenants in respect of rental of the premises and for services rendered.

Gross profit (difference basis): The amount by which:

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

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

Uninsured costs: As specified in the schedule (the words and expressions used shall have the meaning usually attached to them in the books and accounts of the insured).

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

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

Insured standing charges: As specified in the schedule (the words and expressions used shall have the meaning usually given to them in the books of account of the insured).

Standard turnover**Standard revenue**

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

Annual turnover**Annual revenue**

Annual gross rentals The turnover (revenue) (gross rentals) during the twelve months immediately before the date of the Damage

Rate of gross profit

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

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

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

Memorandum

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

Clauses and Extensions

1. Accountants clause

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

2. 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.

3. Departmental clause

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

4. Deposit premium clause

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

In the event of the gross profit/gross rentals/revenue earned (increased proportionately if the number of months referred to in the definition of indemnity period exceeds 12) during the financial year most nearly concurrent with any period of insurance being less or greater than 75% of the sum insured thereon, a pro rata return or additional premium not exceeding $33\frac{1}{3}$ percent of the provisional premium paid for such period of insurance will be made in respect of the difference.

In the event of a claim being made under this section, the amount paid or payable thereon shall be regarded as actually earned.

5. Output (alternative basis) clause

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

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

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

6. Salvage sale clause

If the insured shall hold a salvage sale during the indemnity period clause (a) of item 1 (gross profit) shall, for the purposes of such claim, read as follows:

- a. in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period (less the turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the standard turnover, from which sum shall be deducted the gross profit actually earned during the period of the salvage sale.

7. Extensions to other premises

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

- a. **Specified suppliers/sub-contractors** (if stated in the schedule to be included)

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

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

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

- c. **Storage, transit and vehicle**

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

- d. **Contract sites**

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

- e. **Prevention of access**

Property within a 15 km radius of the insured's premises, destruction of or damage to which shall prevent or hinder the use of the premises or access thereto, whether the premises or property of the insured therein shall be damaged or not.

- f. **Prevention of access - extended cover** (if stated in the schedule to be included)

Property within a 15 km radius of the 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.

For the purpose of this extension "insured premises" shall mean:

- i. **Specified suppliers/Sub-contractors** premises stated in the schedule as being insured by extension (a);
- ii. **Unspecified suppliers** premises but only if extension (b) is stated as being included in the schedule;
- iii. **Property of the insured in storage** as insured by extension (c);
- iv. **Contract sites** as insured by extension (d);
- v. **Additional premises** as insured by extension (g);

- vi. **Customers premises** stated in the schedule as being insured by extension (h);
 - vii. **Public utilities** premises as stated in extension (i) but only if extension (i) or the Public utilities extended cover extension is stated as being included in the schedule;
 - viii. **Public telecommunications premises** as stated in extension (j) but only if extension (j) or the Public telecommunications extended cover extension is stated as being included in the schedule.
- g. **Additional premises**
- In the event of the insured occupying or having property at any newly added premises for the purpose of the business during the currency of this section, such newly added premises shall be deemed to be included in those specified here subject to notification to the Company as soon as reasonably practicable and to adjustment of the premium if necessary.
- h. **Customers** (if stated in the schedule to be included)
- The premises of the customers specified in the schedule subject to stated limits.
- i. **Public utilities** – insured perils only (if stated in the schedule to be included)
- Property at electricity generating stations, sub-stations or transmission networks, gasworks including the related gas distribution network, water purification plants, pumping stations, aqueducts and pipelines of an authority empowered by law to supply water, gas or electricity for consumption by the public and which results in an interruption of water, gas or electricity to the premises of the insured.
- j. **Public telecommunications** – insured perils only (if stated in the schedule to be included)
- i. Property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the insured;
 - ii. The transmission facilities network of the public authority mentioned in (i).

8. Public telecommunications – extended cover (if stated in the schedule to be included)

Loss as insured resulting from interruption of or interference with the business in consequence of the failure of the public telecommunication facilities to the premises of the insured shall be deemed to have resulted from Damage (as defined herein) 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 extension in the underlying policy is not excluded.

If the failure of the facility is due to its mechanical or electrical or electronic breakdown, there shall be no liability under this extension unless the interruption or interference with the business of the insured extends beyond 24 hours.

9. Public utilities – extended cover (if stated in the schedule to be included)

Loss as insured resulting from interruption of or interference with the business in consequence of total or partial failure of the public supply of water, gas or electricity to the premises of the insured shall be deemed to have resulted from Damage (as defined herein) 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 extension in the underlying material damage section of this policy is not excluded.

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

The geographical limits of

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

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

10. Accidental damage (if stated in the schedule to be included)

The following defined event is added:

"Loss following interruption or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under defined event (i) of the Accidental damage section of this policy (hereinafter termed Damage) provided that:

- a. the provision under any item of this section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of this defined event;
- b. the Company shall not pay more than the sum insured stated in the schedule of the Accidental damage section for both this section and the Accidental damage section combined.

11. Miscellaneous risks extension (if stated in the schedule to be included)

Damage (as within defined) is deemed to include loss following the interruption of or the interference with the business as a result of:

- a. murder, suicide or armed robbery at the Insured's premises;
- b. food or drink poisoning at the Insured's premises;
- c. closure of the premises due to noxious fumes within a 50 kilometre radius of the Insured's premises, on the order of the competent local, municipal, regional or government authority responsible for the area;
- d. adverse weather conditions within a 50 kilometre radius of the Insured's premises, of sufficient intensity and/or strength with the potential to cause damage to property or injury to persons;
- e. pollution of any sea, beach, waterway, dam or river within a 50 kilometre radius of the Insured's premises;
- f. shark or wild animal attack within a 50 kilometre radius of the Insured's premises;
- g. bombing within a 50 kilometre radius of the Insured's premises;
- h. summons of the Insured to appear as a witness or of any of the Insured's directors, partners or employees;
- i. closure of the premises due to vermin, pest or defective sanitary arrangements at the Insured's premises on the order of the competent local, municipal, regional or government authority responsible for the area;
- j. contagious or infectious notifiable disease within a 50 kilometre radius of the Insured's premises provided that the municipal, regional, local or government authority responsible for the area has declared a notifiable medical condition or communicable disease to exist within the area and/or has imposed quarantine regulations and/or has acted to restrict access to the area in terms of any local, municipal, regional or national law, by-law or regulation pertaining to public health and safety.

For the purposes of this extension

- i. 'indemnity period' shall mean the period commencing with the occurrence of (a), (b), (d), (e), (f) or (g) above or for (c), (h) and (i) the date on which restrictions on the premises were applied and ending not later than 3 months thereafter;
- ii. 'Insured's premises' shall mean those locations listed in the schedule as the Insured's premises and shall not include the premises of suppliers, customers, contractors (or subcontractors) notwithstanding that this insurance may otherwise be extended to include such premises;
- iii. contagious or infectious notifiable disease shall mean illness sustained to any person resulting from any human infectious or human contagious disease, an outbreak of which the municipal, regional, local or government authority has stipulated shall be notified to them excluding Acquired Immune Deficiency Syndrome (AIDS) or AIDS-related condition.

The cover granted by this extension does not include any costs arising from cleaning, repair, recall or checking the Insured's premises.

Dear customer...

Sasria provides short-term insurance cover against special risks that the broader insurance industry does not cover. Examples of these special risks are civil commotion, strike, riot, public disorder and terrorism.

This document is the legal and official version of your Sasria policy wording. The laws of South Africa govern this policy.

Your contract with Sasria comprises:

- the policy wording (this document);
- the Sasria policy schedule;
- any information that you, or someone acting on your behalf, supply to us; and
- any amendment to the policy.

Please read the wording carefully to make sure that you understand what your policy covers. You must always read the wording together with the Sasria schedule.

We look forward to being of service to you.

How to reach us

011 214 0800 or 086 172 7742 | contactus@sasria.co.za | www.sasria.co.za

General terms and conditions

How you should read this document

"We", "our" or "us" in the wording refers to Sasria SOC Ltd. "You" or "your" in the wording refers to the policyholder.

Words in the singular include the plural. Words in the masculine gender (he) include the feminine gender (she).

Your Sasria policy and the underlying policy

You must have an underlying policy in force

To be insured against the special risks mentioned above, you must have an underlying policy contract in force that includes Sasria cover at the time of the event that gives rise to a loss. If you choose to only take out Sasria cover, there must be a pro forma underlying policy as a formality. The pro forma policy can be issued by any underlying insurer. The underlying insurer must give you Sasria cover regardless of your risk profile.

Sasria policies attach to the underlying policy or they are stand-alone:

- **Attached policies** incorporate the terms, conditions and warranties of the underlying policy with some exceptions (see the next subsection).
- **Stand-alone policies** have their own terms and conditions that are listed in the relevant policy wording.

Policies that attach to the underlying policy	Stand-alone policies
Material Damage (Fire) Contract Works	Motor Business Interruption (Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit, Project Delay)

Policies that attach to the underlying policy

For these policies, the terms, conditions, exclusions and warranties of the underlying policy also apply to the Sasria policy **except for those listed below**:

Standard S.A.I.A. Exceptions

The general exclusions of underlying policies typically include the Standard S.A.I.A. Exceptions. Your Sasria policy covers some of the S.A.I.A. Exceptions, but not all of them.

Your Sasria policy covers **civil commotion, riot, strike, lockout, public disorder, rebellion and revolution and terrorism** (S.A.I.A. Exceptions A(i), A(iii)(b), A(iv), A(v), A(vi) and A(vii) to the extent that A(vii) refers to A(i), A(iii)(b), A(iv), A(v) and A(vi) and C).

Your Sasria policy does not cover **war and war-related activities** (S.A.I.A. Exceptions A(ii), A(iii)(a) and A(vii) to the extent that A(vii) refers to A(ii) and A(iii)(a) and B).

In each policy, see **What we cover** and **What we don't cover** for the details.

If the numbering in your underlying policy does not correspond with the numbering of the Standard S.A.I.A. Exceptions, you must refer to the corresponding contents.

Extensions

Sasria special risk cover only applies to the basic cover of the underlying policy. It does not apply to any additional perils and extensions included in the underlying policy, whether optional or not. Sasria covers its own list of extensions at an additional premium. You will find the list of extensions at [Business Interruption Section](#). Contact us if you want Sasria cover for any of these extensions.

Excess

For Material Damage (Fire), there is no excess payable if you claim under your Sasria policy.

For Contract Works, the following excess is payable:

For loss or damage to contract works and materials, the excess or first amount payable is calculated as 0,1% of the value of the specific contract for which a claim is made.

The following minimum and maximum amounts apply:

Minimum excess (first amount payable)

- R250 (Domestic risks)
- R2 500 (All other risks)

Maximum excess (first amount payable)

- R25 000

For loss or damage to a construction plant, the excess is R1 000 for each loss or damage arising from any one insured event.

Premium

Any adjustment of the premium clause or condition in the underlying policy will not automatically apply to your Sasria policy.

Period of insurance

The period of insurance of your Sasria policy is the same as the period of insurance of the underlying policy.

Sasria and the underlying insurer must sign your schedule

For your Sasria contract to be valid, the Sasria schedule must bear the signatures of a director of Sasria and the underlying insurer.

Cancellation

Only you have the option to cancel Sasria cover; Sasria will never cancel your cover.

If an underlying policy is cancelled, it does not automatically result in cancellation of your Sasria cover. The underlying insurer must give you the option to keep your Sasria cover except if the cancellation was due to non-payment. If you choose to keep your Sasria cover, the underlying insurer will issue a pro forma policy to which your Sasria policy will attach.

Our rights

To review rates and premiums

We reserve the right to review the terms and conditions of a policy, including rates and premiums, in line with all applicable laws (e.g. the Policyholder Protection Rules). Where necessary, some or all classes of business rates and premiums may be reviewed with reference to trends, expectations and assumptions, including but not limited to the following:

- a) Documented trend of poor performance on class or classes of business over the last three (3- to five (5) years;
- b) Reasonably balancing the interests of Sasria SOC Ltd and its policyholders' expectations; and
- c) The extent to which the assumptions on which the premium was based have been met.

In accordance with the law, we will duly notify the policyholder in writing, through our distribution channels, of the details of the pending review; the effective date of the review; the reasons for the review; the implication of the review; the policyholder's rights and obligations regarding the review,

including any cooling-off rights offered and procedures applicable for the exercise thereof; and any other relevant details.

Each policyholder will be given a reasonable notice period to make an informed decision as to whether the policy continues to meet the policyholder's requirements as a result of the reviewed terms and conditions.

To take possession of damaged property

When you claim under this policy, you agree that we, and any person authorised by us, have the right to enter the damaged property, or take possession of it, and deal with it in any reasonable manner. This right does not imply that we accept liability for the claim. It also does not diminish our right to apply any condition of this policy.

You remain responsible for all damaged property until it is in our possession.

To take legal action on your behalf

If we have compensated you for loss or damage, we have the right to recover our costs from the responsible third-party. We have the right to take legal action on your behalf to defend or settle any third-party claim. You agree that we may conduct the legal proceedings to our full discretion.

You must cooperate fully with us. Specifically, you agree to:

- do nothing that will prejudice or limit our rights;
- give us all information and documents we require;
- sign any document or affidavit that we request to enable us to exercise our rights;
- attend depositions, hearings, trials and give evidence as necessary; and
- make no admission, offer, promise, payment or statement about Sasria's liability without our written consent.

Transfer of rights

Only you have the right to claim against us under this policy. This right may only be transferred to another person or entity if you should die or if the law orders it.

Sharing information

By entering into a contract with Sasria, you waive your right to privacy and agree that we may disclose to any other insurance company any relevant information that you, or someone else on your behalf, has provided to us.

Your responsibilities

To be covered

To be covered under your Sasria policy:

1. The underlying policy must have been valid and active on the date of the insured event for which you claim;
2. The Sasria premium payments must be up to date and we must have received all such payments; and
3. You must, for attached policies, comply with the terms and conditions of your Sasria policy and those of the underlying policy (with the exceptions described above under **Policies that**

attach to the underlying policies). For stand-alone policies, you must comply with the terms and conditions of your Sasria policy.

Pay the premium in advance

Your Sasria premium is payable in advance per month or per year. If the period of insurance is more than one month, but less than 12 months, the full annual premium will be payable in advance.

If we do not receive your premium by the due date, we will consider this policy to have lapsed at 24:00 (midnight) of the last day of the previous period of insurance, unless you can prove that the failure to pay was an error on the part of our agent or your broker.

Take all reasonable precautions

You must take all reasonable action to prevent loss or damage.

Do not withhold information or commit fraud

It is your responsibility to make sure that you give us all relevant information and that this information is complete, correct, and remains correct. If you withhold any information, or give us false or incorrect information, we may refuse to pay your claim.

We have the right to verify or investigate any information that you submit.

We have the right to reject a claim if you, or any person representing you, commit fraud in terms of this Sasria policy. If we refuse to pay your claim because of fraud or attempted fraud, we will not refund premiums already paid and may start legal proceedings against the defrauding party.

You commit fraud if you, or anyone on your behalf:

- submit a false or dishonest claim under this policy;
- use false or dishonest means or false information to benefit from the cover that we provide; or
- deliberately cause an insured event. For example, if you should deliberately cause a fire or add fuel to it.

Compensation

How we compensate you

If you have a valid claim, we will compensate you for the lost or damaged property by making a payment to you, or by repairing, replacing or reinstating the damaged property.

Who gets the compensation?

If we accept liability, we compensate the policyholder, or his beneficiary in the event of his death, except in the following cases:

1. If the lost or damaged property is still under finance, we will pay the financial institution first.
2. If the lost or damaged property has been sold to you, but the seller still has an insurable interest in the property, we will compensate the seller proportionally if you write to us and request us to do so.

If the compensation that settles the claim is accepted, we will have no further liability regarding the claim.

Policy limits

The limits of compensation are detailed in the respective policies.

Agreed value

If the property is leased, rented or hired under an agreement that requires the insured to insure the property and/or be responsible for it at an agreed value, the sum insured will be the stipulated agreed value.

Countries where you are covered

This policy covers only property situated in the Republic of South Africa or in the territorial waters of South Africa. The 1982 United Nations Convention on the Law of the Sea defines territorial waters as "a belt of coastal waters extending 12 nautical miles (22.2 km) from the baseline (usually the mean low-water mark) into the sea".

Sasria has an agreement with the Namibian special risk insurance association (Nasria). In terms of this agreement, you have Sasria cover in Namibia for a maximum of sixty (60) consecutive days.

Disputes

If a dispute arises as to the compensation payable, or the liability of Sasria, we will refer the matter for arbitration in terms of the arbitration laws in force at that time in the Republic of South Africa, at a place that we will determine.

You will not have the right to take legal action against Sasria until the arbiter has made a decision. The decision of the arbiter will be final and binding.

Amendment

You, or Sasria, may amend this policy, but no amendment to this policy will be valid unless a director of Sasria has signed the amendment.

How to claim

What to do in the event of a business interruption

You must notify the underlying insurer in writing that you intend to claim for business interruption under this policy. You must submit the claim to the underlying insurer not later than 30 days after the end of the indemnity period unless we have agreed otherwise. (See the definition of indemnity period below.)

You must also provide us with details of all other insurance covering the loss or damage.

Supporting documents

We may ask you to submit financial evidence to support your claim. Your underlying insurer will send you a list of all the required documents. The documents must be certified by your auditors or accountants and will be used to verify your claim.

Business Interruption

Important words and phrases

General

Word or phrase	Defined meaning
Civil commotion	Large-scale violence by members of the public, causing injury to people or damage to property.
Consequential loss	Loss or damage that is not directly caused by an insured risk, but which is an indirect consequence or result of the insured risk.
Labour disturbance	<p>In the case of Slabbert Burger vs Sasria, disturbance in a labour context was defined as "an overt disturbance of the public peace in defiance of authority, leading to physical damage".</p> <p>Sasria will only consider a claim for loss or damage as a result of a labour disturbance if all four of the following elements are present:</p> <ul style="list-style-type: none"> • A disturbance of the public peace; • Which happens openly, or which is clear upon observing; • In disobedience of authority; and • Which leads to physical loss or damage.
Lockout	<p>According to section 213 of the Labour Relations Act (66 of 1995), a lockout means "the exclusion by an employer of employees from the employer's workplace, for the purpose of compelling the employees to accept a demand in respect of any matter of mutual interest between employer and employee, whether or not the employer breaches those employees' contracts of employment in the course of or for the purpose of that exclusion".</p> <p>This definition may be amended by South African law from time to time.</p>
Looting	<p>To steal goods, typically during a riot, strike or civil commotion. Looting must take place during an event that Sasria covers.</p> <p>Sasria does not cover theft.</p>
Policyholder	<p>The person(s) or juristic entity in whose name the policy is issued.</p> <p>A policyholder could be:</p> <ul style="list-style-type: none"> • A holding company and all its subsidiaries (as set out in the Companies Act, 61 of 1973); or • A subsidiary of the holding company; or • An entity other than a company; or • A person or persons.

Public disorder	A riot or other civil commotion that gives rise to a serious risk to public safety, whether at a single location or resulting from a series of incidents in the same or different locations.
Riot	<p>In terms of case law, riot means the tumultuous disturbance of public peace by an assembly of three or more persons acting together in the execution of some private objective.</p> <p>Sasria will only consider a claim for loss or damage as a result of a riot, if all four of the following elements are present:</p> <ul style="list-style-type: none"> • Three or more persons who have assembled with the same objective; • A tumultuous disturbance of the public peace; • Which leads to strife, violence or threats of violence; and • Physical loss or damage. <p>In terms of this definition, Sasria does not consider the violent acts of three or more people who have different objectives as a riot.</p>
Strike	<p>According to section 213 of the Labour Relations Act (66 of 1995), a strike means "the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee, and every reference to 'work' in this definition includes overtime work, whether it is voluntary or compulsory".</p> <p>This definition may be amended by South African law from time to time.</p>
Terrorism	<p>The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims.</p> <p>Please note that Sasria cover does not extend beyond the borders of South Africa. In other words, if terrorism happens outside the borders of South Africa, Sasria does not cover that. Furthermore, Sasria does not cover consequential loss emanating from any acts of terrorism.</p>

Words and phrases relating to Business Interruption

Indemnity period	The period during which the insured business incurred financial losses or expenses as a result of an interruption to the insured business as defined in this policy. The period will start on the date that the insured event, which caused the business interruption, occurred. The maximum length of the indemnity period is set out in the policy schedule.
Turnover	The money paid or payable to the insured for goods sold and delivered and for services rendered in the course of business at the insured premises
Annual turnover	The turnover of the insured business for the 12 months immediately before the insured event occurred.

Standard turnover	The turnover of the insured business during a specific period in the 12 months immediately before the insured event, which corresponds with the same period during the indemnity period.
Revenue	The total income of the insured business from, for example, sales, fees, interest or rentals.
Annual revenue	The revenue of the insured business for the 12 months immediately before the insured event occurred.
Standard revenue	The revenue of the insured business during a specific period in the 12 months immediately before the insured event, which corresponds with the same period during the indemnity period.

Overview

Business Interruption is a stand-alone policy with its own terms and conditions. It does not attach to the terms and conditions of the underlying policy.

Business Interruption covers you for financial losses due to the interruption of, or interference with, your business activities as a result of loss of, or damage to, any building or other property, or any part of it, at the premises shown as the risk address in the schedule as a result of an event that Sasria covers.

This policy comprises five sections: Standing charges, Working expenses, Loss of net profit, Loss of gross profit and Project Delay.

Cover for 'Increase in cost of working' is included in all sections. 'Increase in cost of working' refers to the expenditure necessarily and reasonably incurred by the insured to ensure the continued operations of the business and for the sole purpose of avoiding a reduction in turnover during the indemnity period.

Standing Charges

Standing charges covers you for regular, fixed business expenses, for example wages, rentals, subscriptions, utility, telephone and internet charges. You must specify in the schedule which standing charges you want this policy to cover.

Working Expenses

Working expenses covers you for variable business expenses. You may indicate in the schedule the working expenses that you do not want this policy to cover, for example discounts or bad debts. These are also called working expenses specified as uninsured.

Loss of net profit

Loss of net profit covers you for loss of the actual profit of the insured business as a result of a business interruption as defined in this policy and covered during the indemnity period. Net profit is defined as profit after all costs have been deducted from the turnover or revenue, including standing and other charges, as well as depreciation. Capital receipts and deposits are not included in the

calculation of net profit. The calculation of net profit takes place before any tax on profits is deducted.

Turnover and revenue refer to the total income of the business generated from sales or services. The term 'turnover' is usually applied for businesses with stock whereas the term 'revenue' is usually applied for businesses without stock.

Loss of gross profit

Loss of gross profit covers you for loss of net profit plus standing charges or working expenses, as explained above.

Project Delay

Project Delay covers you for expenses necessarily and reasonably incurred when a construction project is delayed as a result of a business interruption as defined in this policy and covered during the indemnity period.

Summary

The relationship between the sections that Business Interruption comprises is explained in the figure below:

Business Interruption				
Standing Charges	Working Expenses	Loss of net profit	Loss of gross profit	Project Delay
Standing charges that you want the policy to cover needs to be specified in the schedule	Calculated according to a formula Expenses that you do <u>not</u> want the policy to cover needs to be specified in the schedule	Loss of turnover (for businesses with stock) OR Loss of revenue (no stock)	Loss of net profit plus standing charges or working expenses	Standing charges only; not loss of profit
Increase in cost of working included	Increase in cost of working included	Increase in cost of working included	Increase in cost of working included	Increase in cost of working (expenses associated with project delay)
Condition: A valid Sasria claim under a Material damage policy				Condition: A valid Sasria claim under Contract works policy

WHO do we cover?

The Business Interruption policy covers the policyholder and any other insured entity or person named in the schedule.

What we cover

Sasria will compensate you for financial losses due to business interruption as selected and specified in the schedule.

The business interruption must be as a result of the loss of, or damage to, property insured in a Material Damage (Standing Charges, Working Expenses, Loss of net profit and Loss of gross profit) or Contract Works (Project Delay) policy. The loss or damage that led to the business interruption must have taken place during the period of insurance of the applicable Sasria policy.

The loss or damage must be directly related to, or caused by, the following insured events:

1. Any riot, strike or public disorder or any act or activity which is calculated or directed to bring about a riot, strike or public disorder;
2. 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;
3. 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;
4. Any attempt to perform any act referred to in clauses 1, 2 and 3 above;
5. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clauses 1, 2, 3 or 4 above;
6. Looting committed as part of the acts described in 1, 2, 3, 4 or 5 above.

Extension included

Claim preparations cost

The insurance provided by this policy includes costs that you reasonably incurred to produce and certify any particulars or details that we require in terms of Condition 6 or to substantiate any claim. We will pay a maximum of R50 000 for such costs per claim.

Extension optional

Additional increase in cost of working

You may increase the sum insured for 'Increase in cost of working' at an additional premium.

You will find the full list of extensions at [INSERT LINK](#). Contact us if you want Sasria cover for any of these extensions.

What we DON'T cover

Sasria does not compensate you for business interruption that results from any of the following:

1. Any form of consequential or indirect loss or damage, depreciation of any nature, wear and tear, and any form of mechanical or electrical failure or breakdown;
2. Consequential loss or damage resulting from stopping work, totally or partially, or from delaying, interrupting or stopping any process or operation;
3. Loss or damage resulting from a lawful authority confiscating, commandeering or requisitioning insured property, permanently or temporarily, or any attempt to do so;
4. Loss or damage, in any way caused by, or contributed to, an act of terrorism that uses, or threatens to use, any nuclear weapon or device, or any chemical or biological agent;
5. Loss or damage, in any way caused by, or contributed to, war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, 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 a state of siege;
6. Any attempt to perform any act referred to in clauses 4 and 5 above;
7. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clause 4 and 5 above;
8. 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 South African territory to which this policy applies;
9. Prevention of access (for example, penalties or fines for an extended contract period);
10. Loss or damage for which you are liable in terms of a contract, unless you would have been liable for the damage in the absence of the contract;
11. Loss or damage caused directly or indirectly by a nuclear event. A nuclear event is an incident or accident involving the release of radioactive material with negative health and environmental effects.

If we reject a claim by reason of exclusion 4, you will have to prove that the loss or damage was not related to exclusion 4.

We will also not compensate you under this policy for:

12. Loss of net profit and any extra expenses due to a business interruption at the premises of a customer or a supplier, or any entity that is part of your supply chain;
13. Loss resulting from a business interruption that was caused by damage to a public utility or public communications entity serving the insured premises.

Conditions

1. For Standing Charges, Working Expenses, Loss of net profit and Loss of gross profit:
 - 1.1. You must have Sasria cover under a Material Damage (Fire) policy with an underlying insurer.
 - 1.2. You may only submit a claim under any of these sections if the business interruption is a result of loss of damage for which you have successfully claimed from Sasria under Material Damage.
2. For Project Delay:
 - 2.1. You must have Sasria cover under a Contract Works policy with an underlying insurer.
 - 2.2. You may only submit a claim under Project Delay if the delay is a result of loss or damage for which you have successfully claimed from Sasria under Contract Works. If a claim under Contract Works is rejected only because the excess amount is larger than the material damage loss, then Sasria will nevertheless cover you for project delay if you have taken out this section.
3. Cover under this policy or any section of it will end, if:
 - 3.1. the insured business is permanently discontinued or liquidated; or
 - 3.2. after the start of the period of insurance, the insured dies or no longer has an insurable interest in the business; or
 - 3.3. you cancel your Material Damage or Contract Works with Sasria, as applicable to the sections of this policy.

We may agree in writing to continue cover in the event of 3.1 or 3.2.

4. You must notify the underlying insurer in writing that you intend to claim for business interruption under this policy. You must take reasonable care to prevent or reduce business interruption by avoiding or diminishing any further loss or damage.
5. You must submit a claim for business interruption to the underlying insurer not later than 30 days after the end of the indemnity period unless we have agreed otherwise. You must also provide them with details of all other insurance covering the loss or damage that led to the business interruption or any consequential loss.
6. You must submit all financial evidence that the underlying insurer requires in support of your claim. The documents must be certified by your auditors or accountants and will be used to verify your claim. You may also be asked to submit an affidavit that declares the truthfulness of the claim and related matters. No claim is payable unless you have complied with this condition. If we have paid out a claim and we discover that the claim was fraudulent, you will have to pay back the compensation.
7. We may adjust the premium paid for Standing Charges when we receive a declaration from the underlying insurer of the actual standing charges paid during the financial year that ends during the Period of Insurance, as certified by your auditors. If the declaration for actual standing charges for that financial year is less than the sum insured for Standing Charges, we will refund the premium for Standing Charges up to a maximum of 50%.

Compensation

For the policyholder, the total limit of compensation is R500 million (excluding VAT) per period of insurance. The policyholder may insure sub-contractors under Project Delay at an additional premium.

The maximum total compensation for all the sub-contractors together is R50 million per period of insurance. Sub-contractors may take out their own Sasria insurance.

These limits apply irrespective of the number of insured events or the number of claims for which we have accepted liability under this policy.

The principle of average will apply as follows: The amount we will pay for an indemnity period of 12 months will be proportionately reduced if the sum insured for Loss in gross profit is less than the sum calculated by applying your gross profit rate to the annual turnover.

Where the maximum indemnity period exceeds 12 months, the appropriate multiple of the annual turnover will apply.

Standing charges

Compensation will not exceed the sum insured of the standing charges listed in the schedule.

Departments or branches

If a department or branch of the insured business has suffered business interruption, its financial statements will be considered independently when we calculate compensation for Standing charges.

The principle of average will apply if the sum insured for Standing charges of the total business is less than the sum of the insured standing charges for each department or branch during the financial year preceding the date of the loss or damage that resulted in the business interruption. The compensation will be reduced proportionally according to the rate that the business is underinsured for Standing charges.

Working expenses

Compensation is calculated on a difference basis as follows:

Turnover MINUS ([value of opening stock minus value of closing stock] + specified uninsured working expenses + net profit)

The value of the opening and closing stock will be calculated in accordance with generally accepted accounting practice.

Departments or branches

If a department or branch of the insured business has suffered business interruption, its financial statements will be considered independently when we calculate compensation for Working expenses.

The principle of average will apply if the sum insured for Working expenses of the total business is less than the sum of the working expenses for each department or branch. The working expenses for each branch will be calculated according to the formulae given above. The compensation will be reduced proportionally according to the rate that the business is underinsured for Working expenses.

Loss in net profit

Compensation will not exceed the sum insured as stated on the schedule.

Loss in gross profit

Compensation will not exceed the sum insured as stated on the schedule.

Additions basis

If you have taken out Standing Charges, compensation will be calculated on an additions basis as the sum of the net profit and the insured standing charges set out in the schedule.

If there is no net profit, the pay-out will be reduced by the ratio between insured standing charges and all the standing charges of the business. If you have not covered all standing charges for business interruption, the pay-out will be reduced with the ratio between the sum of the net profit and insured standing charges and the sum of the net profit and all the standing charges (insured and not insured).

Difference basis

If you have taken out Working Expenses, compensation will be calculated on a difference basis as follows:

(Turnover plus value of the closing stock) MINUS (Value of the opening stock plus the specified uninsured working expenses)

The policyholder's audited financial statements will be used to determine the value of the opening and closing stock. Depreciation will be considered.

Increase in cost of working

Compensation will not exceed the sum insured as stated in the schedule.

We will pay you the expenses necessarily and reasonably incurred to avoid or diminish reduction in turnover during the indemnity period. The compensation will not exceed the expenses to diminish reduction in turnover/revenue times the gross profit rate. Any discount or saving will be deducted from the compensation.

Project Delay

Compensation will not exceed the sum insured as stated in the schedule.

Clauses

The clauses below relate to compensation.

Trends

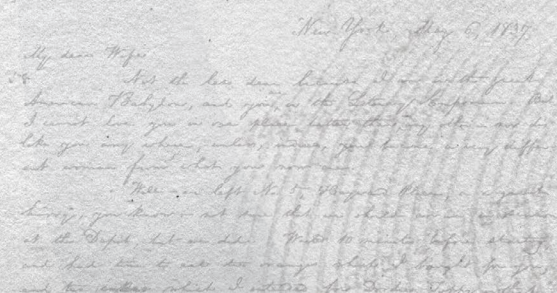
In calculating compensation, the profit trend of the business will be considered by applying the policyholder's gross profit rate to the amount that the turnover or revenue during the indemnity period is less than the standard turnover or standard revenue. For the gross profit rate, the turnover or revenue during the financial year immediately before the insured event will be used.

Salvage sale

If the insured business holds a salvage sale during the indemnity period, the turnover of the salvage sale will be deducted from the turnover during the indemnity period.

Accumulated stock

When we calculate the compensation, we will consider any accumulated stock that was sold to temporarily minimise any reduction in turnover after the business interruption.



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 that indemnity will be as set out in the basis of indemnity clause which forms part of this section.

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

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

Specific Exceptions

The Company will not pay for:

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

Definitions

Outstanding debit balances

The total declared in the statement last given under the provisions of memorandum 1 (declarations) adjusted for

- a. bad debts;
- b. amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the damage) to customers' accounts in the period between the date to which said last statement relates and the date of the Damage;
- and
- c. any abnormal condition of trade which had or could have had a material effect on the business;

so that the figures thus adjusted shall represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

Memoranda

1. Declarations

The insured shall, within 60 days of the end of each month or other agreed period, deposit with the Company a signed statement showing the total amount outstanding in customers' accounts as set out in the insured's accounts as at the end of the said month.

2. Adjustment

In consideration of the premium under this section being provisional in that it is calculated on 75% of the sum insured, the premium will be adjusted as follows.

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

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

Clauses and Extensions

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

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

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

provided that this extension does not cover:

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

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

2. Accountants clause

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

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

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

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

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

5. **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.



Defined Events

Loss of or damage to all contents (the property of the insured or for which they are responsible) of any insured building at the insured premises described in the schedule as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence.

The amount payable for loss of or damage to the insured property (as defined) rising out of one event shall not exceed the sum insured stated in the schedule.

Clauses and Extentions

1. Concealed thieves and skeleton keys

The insurance under this section extends to cover loss of or damage to the property insured caused or accompanied by:

- a. thief or thieves being concealed upon the insured premises before close of business;
- b. entry to and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding a duplicate key) provided that the insured shall establish to the satisfaction of the Company that such a skeleton key or device was used.

2. Additional premises

The insurance under this section extends to cover loss of or damage to the property insured whilst in a building at any additional premises used by the insured provided that:

- a. such additional premises are advised to the Company within 30 days from the time the risk attaches to the Company;
- b. an additional premium, if any, is paid;
- c. the Company's liability in respect of this extension shall not exceed 50% of the highest amount stated in the schedule applicable to any one premises.

3. Damage to Buildings

In addition to the limit of indemnity stated in the schedule

- a. the insurance under this section includes:
 - i. damage to the buildings (including landlord's fixtures and fittings) at the insured premises in the course of theft or any attempt thereat;
 - ii. loss of buildings, landlord's fixtures and fittings at the insured premises as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence.
- b. the Company will reimburse the insured all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or damage giving rise to a claim under this section

provided that the Company's liability shall not exceed the amount stated in the schedule in respect of any one event.

4. Locks and keys

In addition to the limit of indemnity stated in the schedule the Company will indemnify the insured in respect of the cost of replacing locks and keys to any insured premises following upon the disappearance of any key to such premises or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key.

Provided that:

- a. the Company's liability shall not exceed the amount stated in the schedule;
- b. the Company shall not be liable for the first amount payable stated in the schedule.

5. Personal effects

The term all contents includes personal effects, tools and pedal cycles the property of the insured or any principal, partner, director or employee of the insured in so far as such property is not otherwise insured up to the amount stated in the schedule in the case of any one person.

Limitations

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

Specific Exceptions

The Company shall not be liable for:

1. loss or damage which can be insured under a fire policy except in the case of explosion caused in an attempt to effect entry;
2. loss or damage insurable under a glass insurance policy;
3. property more specifically insured or, unless specified in the schedule, cash, bank and currency notes, cheques, postal orders, money orders, current negotiable stamps and documents or certificates of a negotiable nature;
4. loss or damage in which any principal, partner, director or any member of the insured's household or any of the insured's employees is concerned as principal or accessory.

Specific Conditions

1. This section shall be voidable if the nature of the risk is materially altered without the prior written consent of the Company.
2. In respect of any premises stated in the schedule to be subject to this condition at which a burglar alarm is installed it is a condition precedent to the liability of the Company and warranted that:
 - a. the burglar alarm installed at the premises shall be made fully operative whenever the premises are not open for business unless a principal, partner, director or employee of the insured is on the premises;
 - b. such alarm shall be maintained in proper working order but the insured shall be deemed to have discharged their liability therefor if they have maintained their obligations under a contract with the suppliers or servicing engineers of the alarm system.

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



Defined Events

Loss of or damage to money (as defined) occurring in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe, Malawi and Mozambique except if otherwise specified provided that the liability of the Company for all loss or damage arising from all occurrences of a series consequent upon or attributable to one source or original cause shall not exceed the specific limitations stated in the schedule.

Definitions

Money shall mean cash, bank and currency notes, 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.

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

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

Clauses and Extensions

1. Receptacles and clothing

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

2. Locks and keys

In addition to any payment in respect of a defined event, the Company will indemnify the insured in respect of the cost of replacing locks and keys to any receptacle at the insured premises following upon the disappearance of any key to such receptacle or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that:

- i. the Company's liability shall not exceed the amount stated in the schedule in respect of any one event;
- ii. the Insured shall be responsible for the first amount payable shown in the schedule.

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

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

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

provided that this extension does not cover:

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

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

4. Skeleton keys

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

5. Personal accident (assault) extension (if stated to be included)

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

The Company will pay to the insured, on behalf of such person or his estate, the sum or sums stated in the schedule in the event of bodily injury to such person resulting within 24 calendar months in

- | | | | |
|----|---|---|---------------------------|
| 1. | death | the capital sum | |
| 2. | permanent disability as follows | the percentage of capital sum specified | |
| | | | Percentage of capital sum |
| a. | loss by physical separation at or above the wrist or ankle of one or more limbs..... | | 100 |
| b. | permanent and total loss of whole eye..... | | 100 |
| | sight of eye | | 100 |
| | sight of eye except perception of light..... | | 75 |
| c. | permanent and total loss of hearing | | |
| | both ears..... | | 100 |
| | one ear..... | | 25 |
| d. | permanent and total loss of speech | | 100 |
| e. | injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training..... | | 100 |
| f. | loss of four fingers | | 70 |
| g. | loss of thumb (one or both phalanges)..... | | 25 |
| h. | loss of index finger (one, two or three phalanges)..... | | 10 |
| i. | loss of any other finger (one, two or three phalanges) - each finger | | 6 |
| j. | loss of metacarpals (first, second, third, fourth and fifth - additional) | | 5 |
| k. | loss of toes | | |
| | all on one foot | | 30 |
| | great, one or both phalanges | | 5 |
| | other than great, if more than one toe lost, each | | 2 |
| 3. | In the case of total and absolute incapacity from following usual business or occupation the weekly sum specified in the schedule shall be payable. | | |
| 4. | The reasonable expenses incurred, up to the sum specified in the schedule, shall be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) incurred within 24 months of the defined event. | | |

Memoranda (applicable to permanent disablement benefits)

- a. Where the injury is not specified the Company will pay such sum as in its opinion is consistent with the above provisions.
- b. Permanent total loss of use of part of the body shall be considered as loss of such part.

- c. 100% shall be the maximum percentage of compensation payable for disability resulting from an accident or series of accidents arising from one cause in respect of any such person.

provided that:

- i. the Company shall not be liable to pay in respect of any one such person more than the capital sum plus the sums specified under items 3 and 4;
- ii. the sum specified under item 3 shall be payable only for the duration of the incapacity of such person and shall not be payable for more than 104 weeks and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain;
- iii. compensation payable under item 4 shall be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4;
- iv. this extension shall not apply to any such person under 15 or over 70 years of age;
- v. after suffering bodily injury for which benefit may be payable under this extension, such person shall submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
- vi. general exception 2 and general conditions 2 and 9 do not apply to this extension;
- vii. in respect of this extension only general exception 1 is deleted and replaced by the following:

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

Extensions to the Personal Accident (Assault) Extension

1. Bodily injury shall be deemed to include injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from such person being the victim of theft or any attempt thereat.
2. In the event of disappearance of any such person in circumstances which satisfy the Company that he has sustained injury to which this personal accident (assault) extension applies and that such injury has resulted in the death of such person, the Company will, for the purpose of the insurance afforded by this extension, presume his death provided that if, after the Company shall have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment shall forthwith be refunded by the insured to the Company.

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 14 working days of the occurrence thereof;
2. arising from shortage due to error or omission;
3. arising from the use of keys to any safe or strongroom unless the keys:
 - a. are obtained by violence or threats of violence to any person;
 - b. are used by the keyholder or some other person with the collusion of the keyholder and the insured can prove to the satisfaction of the Company that the keyholder or such other person had used the keys to open the safe or strongroom.
4. in an unlocked safe or strongroom whilst the portion of the premises containing such safe or strongroom is unattended but this exception will not apply if it can be shown to the satisfaction of the Company that the keyholder to the safe or strongroom deliberately left it unlocked with the intention of allowing the money to be stolen;
5. not contained in a locked safe or strongroom whilst the portion of the premises containing such money is unattended but this exception will not apply if it can be shown to the satisfaction of the Company that the person(s) responsible for the money deliberately left it outside the safe or strongroom with the intention of allowing it to be stolen;

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

Specific exceptions (3), (4), (5) and (6) do not apply up to an amount of R5 000 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 (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 10% of the net claim subject to a minimum of R2 500.

2. The Company shall not be liable under this section of the policy in respect of loss or damage arising from any event in respect of which a claim is payable, or would be payable but for any first amount payable or co-insured clause under the fidelity section of the policy or any other fidelity insurance.

Special Conditions Applicable to Cheques

First amount payable applicable to theft of cheques

Any loss or series of losses attributable to one original event which is payable under this section and which results from the theft of any cheque or cheques shall be reduced by a first amount payable of 20% 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 procedure of the Company for drawing and crossing of cheques" or any other superior method approved by The Company and the printed portion of the cheque (as opposed to the written or typed portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau or;
 - b. the cheque has been dispatched to the payee by certified post or any post where the security is equal or superior to certified post.
2. **Cheques drawn by someone other than the insured and which were received by the insured by post or direct by the cashier**
 - a. such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by the insured and;
 - b. the insured is able to identify the drawer and amount of the cheque from their records.
3. **Cheques of which the insured is the true owner which were drawn by someone other than the insured and posted to the insured but not received**
 - a. the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended procedure of the Company for drawing and crossing of cheques" or any other superior method approved by the Company 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) on it recommending or requiring that the cheque be drawn in accordance with the undermentioned "Recommended procedure of the Company for drawing and crossing of cheques".

Recommended Procedure for Drawing and Crossing of Cheques and Printing of Blank Cheques

A. Drawing and crossing of cheques

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

1. Delete the pre-printed words "or bearer". This limits the possibility of the drawee bank paying out to a bearer who might not be entitled to payment.
2. If instead of "or bearer" your cheque has pre-printed on it "or order" these words must also be deleted.
3. Write on the face of the cheque the words "not transferable".
4. Cross the cheque by drawing two parallel lines across the cheque.
5. Write the words "not negotiable" between the two parallel lines referred to in 4 above.
6. Ensure that the payee is accurately, properly and fully described. For example, where the payee is a Company, its full name should be used: RH Jones (Pty) Ltd not just RH Jones.

Where the bank account number or CC number of the payee is known this should be included after the name of the payee, for example, "RH Jones (Pty) Ltd, Co No: 69/123456" or "RH Jones (Pty) Ltd ABC Bank account no: 123456789".

Whilst highly recommended it is not compulsory to use the bank account number of the payee.

7. In drawing the cheque no spaces should be left which would allow anyone to add extra words or figures.
8. An example of this method of drawing a cheque is attached as Annexure A.
9. On the front of the cheque the wording listed in Annexure B (last page of this section) should be printed. Please ensure that space is left on the rear of the cheque for bank stamps and endorsements.
10. All the markings on a cheque should be legible and clearly visible. Persons drawing cheques should not use abbreviated or different versions of the terminology used in the example. The words "not neg" and a crossing using a rubber stamp containing a rectangle rather than two parallel lines are worthless.
11. The method used to complete cheques should be one which makes an ink impression on the paper, such as handwriting, a typewriter or a dot matrix printer. The ribbon used on the printer/typewriter should be of the type which impregnates the paper with ink. Do not use:
 - i. old ribbons;
 - ii. laser printers which do not make an impression into the paper;
 - iii. the "reverse printing technique";
 - iv. correctable type ribbons.

B. Printing of blank cheques

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

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

Annexure A - Recommended Cheque

The diagram illustrates a recommended crossed cheque with the following details and annotations:

- Bank:** ABC BANK LIMITED
- Payee:** Dan Smith
- Amount:** One Thousand Rand Only (with R1000 in figures)
- Date:** 23/06/11
- Crossing:** A diagonal line across the cheque with the words "NOT NEGOTIABLE" written on it.
- Transferability:** The words "NOT TRANSFERABLE" are written below the crossing.
- Signature:** A line for the signature.

Annotations and instructions:

- provides additional remedies to the owner of the cheque:** Points to the crossing.
- general crossing requires payments to be made to a bank only:** Points to the crossing.
- prohibits transfer of the cheque:** Points to "NOT TRANSFERABLE".
- cross out for added protection:** Points to the crossing.
- use full correct name of payee:** Points to "Dan Smith".
- leave no gaps:** Points to the space between the name and amount.
- draw a line after name, amount in words and amount in figures to prevent inclusion of further detail:** Points to the line after "One Thousand Rand Only".
- leave no gaps:** Points to the space between the amount and the signature line.

Annexure B - Recommended Cheque

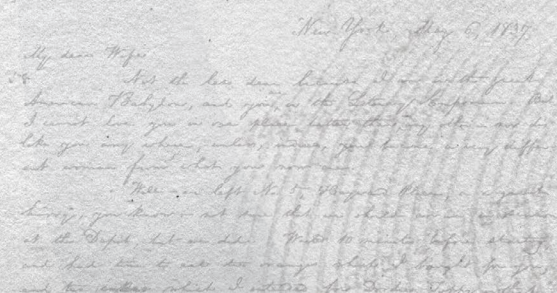
Warning to be printed on bottom left front of cheque - leave enough space for bank stamps, etc.

Warning

To persons 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 not be liable to reimburse him for his loss if you encash such cheque or receive it in exchange for any consideration (Section 81 of the Bills of Exchange Act, 1964).

NB: THIS CHEQUE IS CROSSED AND MARKED "NOT NEGOTIABLE" AND "NOT TRANSFERABLE".



Defined Events

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

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

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

provided that the liability of the Company shall not exceed:

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

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 condition.

Definition of Glass

Unless specifically agreed, all glass (other than mirrors) insured by this section is presumed to be plain plate/float glass not exceeding 6 mm in thickness, whether coated with a film or not, or 8 mm laminated safety glass.

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 forming part of stock in trade;
3. glass which, at inception of this insurance, is cracked or broken unless cover has been agreed by the Company;
4. defacement or damage other than fracture through the entire thickness of the glass or any laminate thereof.

Clauses and Extensions

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

If, following loss or damage insured hereunder, the insured is obliged in terms of the National Building Regulations or similar legislation to replace the damaged glass with glass of a superior quality, then the Company shall be liable for the increased cost of such replacement including (but not limited to) frames therefor, provided that if the cost of so replacing the whole of the insured property (inclusive of other items insured) is greater than the sum insured thereon at the time of the loss or damage, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable proportion of the loss or damage accordingly.

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

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

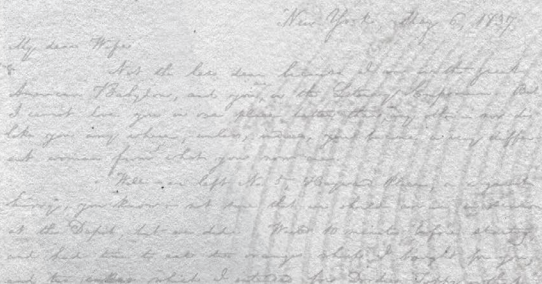
- i. civil commotion, labour disturbances, riot, strike or lockout;
- ii. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

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

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

This extension shall only apply to loss or damage for which the insured is responsible as tenant and not as owner.



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 which results in dishonest personal financial gain for the employee concerned.

provided that:

- i. a. the Company is not liable for all losses which occurred more than 24 months prior to discovery;
b. all losses are discovered not later than 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 losswhichever occurs first.
- ii. a. **BLANKET BASIS** – the liability of the Company for all losses shall not exceed the sum insured stated in the schedule whether involving any one employee or any number of employees acting in collusion or independently of each other;
b. **NAMED OR POSITION BASIS** – the liability of the Company for all losses involving any employee shall not exceed the sum insured stated opposite his name in the schedule or, if he is unnamed, the sum insured stated opposite the position held by him in the business as stated in the schedule.
- iii. renewal of this insurance from period to period or any extension of any period of insurance shall not have the effect of accumulating or increasing the liability of the Company beyond the sum insured stated in the schedule. If the period of insurance is less than 12 months the Company's liability is limited to the sum stated in the schedule during any 12-month period of insurance calculated from inception or renewal;
- iv. the term "dishonest personal financial gain" shall not include gain by an employee in the form of salary, salary increases, fees, commissions, bonuses, promotions or other emoluments.

Definition

Employee shall mean

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

who the insured has the right at all times to govern, control and direct in the performance of his work in the course of the business of the insured and who, if this section is on a named and/or position basis, is described in the schedule by name and/or by the position held by him in the business.

Specific Exceptions

1. The Company shall not be liable for:
 - a. loss resulting from or contributed to by any defined event by:
 - i. any partner in or of the insured to the extent that such partner would benefit by indemnity granted under this policy;
 - ii. any principal, director or member of the insured unless such director or member is also an employee;
 - iii. any employee from the time the insured shall become aware that such employee has committed any fraud or dishonesty;
 - b. any consequential losses of any kind following losses referred to under defined events.
2. This section does not cover any Company or other legal entity acquired during the period of insurance.
3. The Company shall not be liable for any defined event if it results from the dishonest
 - i. manipulation of

- ii. input into
- iii. suppression of input into
- iv. destruction of
- v. alteration of

any computer program, system, data or software by any insured employee who is employed in the insured's electronic data-processing department or area.

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

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

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

Specific Conditions

1. The insured shall institute and/or maintain and continue to employ in every material manner all such systems of check and control, accounting and clerical procedures and methods of conducting his business as has been represented to the Company but the insured may:
 - a. change the remuneration and conditions of service of any employee;
 - b. in respect of any employee who is described in the schedule by name, change his duties and position;
 - c. in respect of any employee who is described in the schedule only by the position held by him, remove such employee and place in his position any other person who falls within the definition of employee;
 - d. make such other changes as are approved beforehand in writing by the insured's auditors.
2. If the insured shall sustain any loss to which this section applies which exceeds the amount payable hereunder in respect of such loss, the insured shall be entitled to all recoveries (except from 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 his coinsurance in terms of item (b) the compulsory first amount payable clause.

Clauses And Extensions

1. Accountants clause

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

2. Extended cover for past employees extension

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

3. 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 12 months prior to inception of this section but not more than 24 months prior to discovery, provided the events are discovered within the shorter period of 12 months of the termination of the employment of the employee concerned or 12 months of the expiry of this section.

4. 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 shorter period of 12 months of the termination of the employment of the employee concerned or 12 months of the expiry of this section;
3. the amount payable under this extension shall not exceed the amount insured by this section or the amount insured by the superseded insurance whichever is the lesser;
4. in the event of the defined events involving one employee or any number of employees occurring during both the currency of this section and that of the superseded policy, the maximum amount payable shall not exceed the amount insured by this section at the time of discovery of the defined events;
5. this extension will not apply to defined events which occurred more than the number of years stated in the schedule before inception of this section;
6. the Company is not liable for any loss which occurred more than 24 months prior to discovery.

5. Other insurances

It is a condition of this section that other than:

- a. a money policy;
- b. a policy declared to the Company at inception or renewal or at the 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.

6. Compulsory first amount payable

The amount payable under this section in respect of a defined event involving one employee or any number of employees acting in collusion shall be reduced by:

- a. 2% of the aggregate of the sum insured under this section and the declared insurance or R60 000 whichever is the lesser plus
- b. a further amount of 10% of the net amount payable after deduction of the amount specified in (a) above.

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

7. Computer losses first amount payable

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

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

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

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

If any defined event is discovered more than 12 months after:

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

First amount payable clause	First amount payable increased to percentage shown below	
Compulsory a. b. Computer losses	If losses are discovered more than 12 months after being committed but not more than 24 months thereafter	If policy has been extended to cover that part of losses discovered more than 24 months after being committed but not more than 36 months thereafter
	From 2% to 5%	From 2% to 7.5%
	From 10% to 15%	From 10% to 20%
	From 20% to 30%	From 20% to 35%

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

9. Voluntary first amount payable 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.

10. 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 sum insured 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 12 months.

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

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

12. 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.

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

1. In consideration of the payment of an additional premium, proviso 1(a) of the defined events is restated to read:
 1. (a) the Company is not liable for all losses which occurred more than 36 months prior to discovery.
2. If this policy section includes the superseded policy clause, the period referred to in proviso 6 thereof is increased from 24 months to 36 months.

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

In consideration of the accounting firm named in the schedule having conducted a satisfactory audit of the insured's systems of:

- control;
- fraud dishonesty and theft detection;

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

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

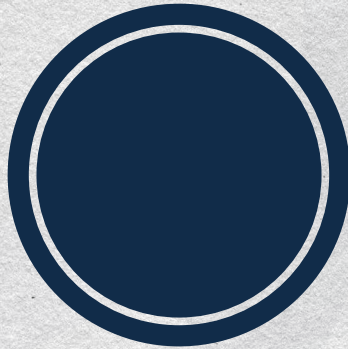
First amount payable clause	First amount payable increased to percentage shown below if losses discovered more than 12 months after being committed
Compulsory	
a.	From 2% to 5%
b.	From 10% to 12.5%
Computer losses	From 20% to 25%

Notwithstanding the above, the insured may opt to claim only for that part of the loss which was discovered within 12 months, in which case the first amount payable applicable for that period will apply.

3. The first amount payable clause for losses discovered more than 12 months after they were committed is deleted.

Memoranda

1. In the event of the discovery of any loss resulting from a defined event, the insured may, notwithstanding anything to the contrary contained in paragraph (ii) of general condition 6, refrain from reporting the matter to the police but shall do so immediately should the Company require such action to be taken.
2. Non-disclosure of his own fraud or dishonesty or that of others with whom he is in collusion by the person signing any proposal form or giving renewal or other 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 sum insured shall be increased at any time, such increased amount shall apply only to defined events committed after the date of such increase.



GOODS IN TRANSIT



New York, May 6, 1837.

My dear Wife

As the time has come when I am to go to the great
business of the world, and you, as the lady of the house, I
must leave you in the place of the lady of the house, and I
like you very much, and I am sure you will be very happy
and contented with your new situation.

Now, my dear wife, I leave you in the hands of the great
business of the world, and I am sure you will be very happy
and contented with your new situation.

Defined Events

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

provided that:

- i. the insured shall be responsible for the first amount payable stated in the schedule in respect of each and every defined event except a claim resulting from fire, lightning or explosion;
- ii. the liability of the Company for all loss or damage arising from any one defined event shall not exceed the limit of indemnity stated in the schedule.

Optional Limitations

1. All Risks cover

Any accident or misfortune not otherwise excluded.

2. Limited cover

Fire or explosion or collision or the overturning or derailment of the means of conveyance described in the schedule.

3. Limited cover plus theft

Fire or explosion or collision or the overturning or derailment of the means of conveyance described in the schedule, plus theft following thereon.

4. Limited cover plus theft and hijacking

Fire or explosion or collision or the overturning or derailment of the means of conveyance described in the schedule, plus theft following thereon plus hijacking.

Memoranda

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

Specific Exceptions

The Company shall not be liable for:

1. loss or damage resulting from or caused by:
 - a. theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or employee of the insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry to or exit from;

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

Clauses And Extensions

1. Fire extinguishing charges extension

If the property described in the schedule is lost or damaged by fire whilst in course of a transit insured by this section, the Company will in addition to indemnifying the insured for such loss or damage pay for the cost of extinguishing or attempting to extinguish such fire provided that the maximum amount payable under this extension shall not exceed the limit of indemnity shown in the schedule opposite this clause plus (if applicable) the increased Fire Extinguishing Charges extension limit.

2. Debris removal extension (if stated in the schedule to be included)

The insurance under this section includes costs necessarily incurred by the insured in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to the limit stated in the schedule in respect of any one defined event.

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

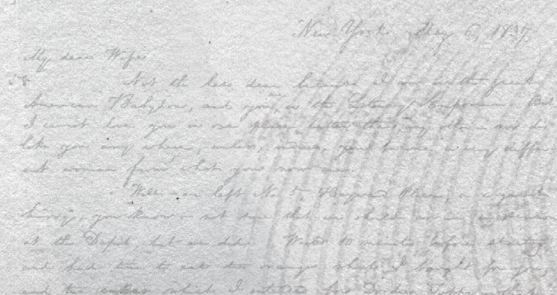
Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

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

provided that this extension does not cover:

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

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



Defined Events

Loss of or damage to the whole or part of the property described in the schedule while 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.

The amount payable for loss of or damage to the insured property (as defined) rising out of one event shall not exceed the sum insured stated in the schedule.

Specific Exceptions

The Company shall not be liable for:

1. Loss of or damage to property resulting from or caused by:
 - a. theft from any unattended vehicle in the custody or control of the insured or any principal, partner, director or employee of the insured unless the property is contained in a completely closed and securely locked 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;
 - b. its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration;
 - c. inherent vice or 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

Replacement value condition (if stated in the schedule to be included)

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.

Clauses and Extensions

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 therefor is admitted under this section, for the purpose of maintaining the normal operation of the business.

The Company's liability in respect of any one event is limited to the amount stated in the schedule.

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

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

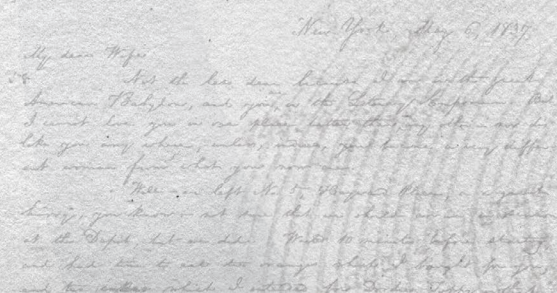
- i. civil commotion, labour disturbances, riot, strike or lockout;

- ii. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

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

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



Defined Events (I)

Accidental physical loss of or damage to the insured property at or about the premises not otherwise insured or for which insurance is available and described (whether incorporated in this policy or not) in terms of any section (other than Business All Risks) listed in the index of this policy or in terms of the power surge extension under the Fire, Buildings combined and Office contents sections.

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

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

Specific Exceptions

The Company shall not be liable for:

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

Definition

Insured property

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

- a. current coin (including Krugerrands and similar coins), bank and currency notes, travellers and other cheques, money and postal orders, current unused postage, revenue and holiday pay stamps, credit card vouchers, unused MVA tokens, and other certificates, documents or instruments of a negotiable nature;
- b. furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art;
- c. property in transit by air, inland waterway or sea;
- d. railway locomotives, rolling stock and other railway property, aircraft, watercraft, mechanically or electrically propelled vehicles, motor cycles, mobile plant, caravans and trailers;
- e. standing or felled trees, crops, animals, land (including topsoil, backfill, drainage and culverts), driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines (external to the premises), tunnels, cables (external to the premises), cableways, bridges, docks, jetties, wharves, piers, excavations, property below the ground or explosives;
- f. electronic data-processing equipment and external data media (punch cards, tape disks and the like) and the information they contain;
- g. property in the course of construction, erection or dismantling including materials or supplies related thereto;
- h. property in the possession of customers under lease, rental, credit or suspensive sale agreements;
- i. glass, china, earthenware, marble and other fragile or brittle objects.

unless stated in the schedule to be insured.

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

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

Clauses and Extensions

1. Restricted cover clause

The insurance in respect of documents, manuscripts, business books, plans, designs, patterns, models, moulds and computer system records is limited to the value of the materials and the cost of labour for recreating and excludes any expenses in connection with the production of any information contained therein or the value of such information to the Insured.

2. Additional costs clause

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

- a. any costs incurred, due to the necessity to comply with building or other regulations of any public authority, in repair or reinstatement following an insured event, provided that such costs do not include:
 - i. anything for which notice had been served on the Insured prior to the insured event;
 - ii. anything connected with undamaged property or undamaged portions of property;
 - iii. rates, taxes, duties, development and other charges payable under the said regulations due to capital appreciation of the insured property;
- b. fees for the examination of municipal or other plans;
- c. costs incurred in the necessary demolition, removal of debris (including undamaged contents) and the erection and maintenance of hoardings during demolition and rebuilding;
- d. the professional fees of architects, quantity surveyors and other consultants; and the sum insured on all insured property includes:
- e. charges levied by any authorised fire brigade for their services;

but the Company shall not be liable under (a), (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay nor under (d) for any expenses in connection with the preparation of the Insured's claim.

Further, the Company shall not be liable under (c) for any costs or expenses:

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

3. Mortgagees clause

From the date of notification, the Company accepts the interest of a mortgagee or others with an insurable interest in the insured property and will not prejudice such interest due to the act or omission of the mortgagor without the mortgagee's knowledge, provided that the mortgagee advises the Company as soon as such act or omission comes to his knowledge and agrees to be responsible for any additional premium resulting from the Company assuming any increased hazard.

4. Railway and other subrogation clause

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

5. Tenants clause

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

Memoranda

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

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

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

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

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

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

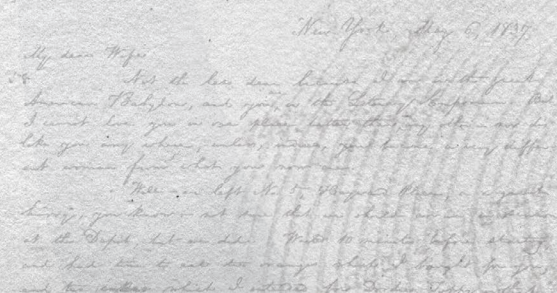
The basis upon which the amount payable is to be calculated following an insured event to buildings, plant and machinery shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than such insured property when new, provided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

- a. the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to requirements of the Insured subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section shall be made;
- b. the Company shall not be liable for any payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section, until expenditure has been incurred by the Insured in replacing or reinstating the lost or damaged insured property;

- c. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, the Insured shall be considered his own insurer for the difference and shall bear a rateable share of loss accordingly. Each item, if more than one, to which this memorandum applies shall be separately subject to this provision;
- d. this memorandum shall not apply if:
 - i. the Insured fail to intimate to the Company within six months of the insured event or such further time as the Company may allow in writing their intention to replace or reinstate the lost or damaged insured property;
 - ii. the Insured are unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

4. First loss average (if stated in the schedule to be included)

If, at the time of any loss or damage arising, the total value of the property described by each item does not exceed the sums stated in the schedule then this insurance shall be declared free of average, but if the total value of such property shall be greater than the aforementioned sums, the Insured shall be considered as being their own insurer for the difference and the Company shall be liable only for such proportion of the first loss sum insured as the aforementioned sums shall bear to the total value not exceeding in all the total sum insured by each item.



Defined Events

Damages which the Insured shall become legally liable to pay for and arising out of Injury or 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.

Definitions

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

1. Damage

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

2. Employee

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

3. Injury

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

4. Product

Any tangible property (including containers and labels) after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured.

5. Pollution

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

6. Costs and Expenses

Costs, charges, expenses and legal costs recoverable from the Insured by a claimant or any number of claimants or incurred by the Company or incurred by the Insured with the Company's prior consent:

- i. in the defence or settlement of any claim under this section of the policy or any action or prosecution brought against the Insured in respect of Injury or Damage or other liability as insured in terms of this Section of the policy;
- ii. in the representation at any inquest or accident inquiry in respect of Injury which may form the subject of indemnity under this section of the policy and/or in defending any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this section of the policy.

Limits of Indemnity

The indemnity payable, inclusive of any Costs and Expenses, for any claim or for any number of claims in respect of any one event or any one series of events having a specific and common originating cause or source, shall not exceed the limit of indemnity stated in the schedule.

In the event of any one specific and common originating cause or source giving rise to a claim or series of claims which form the subject of indemnity by more than one extension of this Section, each extension shall apply separately and be subject to its own separate Limit of Indemnity and the cumulative limit of all applicable extensions less prior payments that eroded an annual aggregate Limit of indemnity applicable to extension 11 (products/defective workmanship liability), shall not exceed the greatest Indemnity Limit available under any one of the extensions affording indemnity for the claim or series of claims.

Where more than one period of insurance of this policy, following its renewal or replacement may apply to a specific and common originating cause or source, the Company's liability will be limited to the maximum Limit of Indemnity for any one such period of insurance.

Territorial Limits

Anywhere in the world, but not in connection with:

- a. any business carried on by the Insured at or from premises outside or
- b. any contract for the performance of work outside

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

Specific Exceptions

The Company will not indemnify the Insured in respect of:

1. Employees

liability for and arising out of upon Injury to any Employee arising from and in the course of employment by the Insured.

2. Property

Damage to:

- a.
 - i. property belonging to the Insured;
 - ii. property in the custody or control of the Insured or any employee of the Insured but this exception shall not apply to premises (or the contents thereof) temporarily occupied by the Insured for work therein;
- b. that part of any property on which the Insured is or has been working if such Damage results directly from such work.

3. Professional advice, vehicles, aircraft, products, and others.

liability for and arising from Injury or Damage.

a. **Professional advice or treatment**

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. **Vehicles, watercraft, locomotives**

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 (other than non-motorised watercraft not exceeding 6 metres in length and used only on inland waterways), locomotive or rolling stock, provided that this exception shall not relieve the Company of liability to indemnify the Insured in respect of liability for and arising out of Injury or Damage caused or arising beyond the limits of any carriageway 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. **Aircraft**

caused by or through or in connection with:

- i. the refuelling or defuelling of aircraft or unmanned aerial vehicles;
- ii. the ownership, possession, maintenance, operation or use of aircraft, unmanned aerial vehicles or an airline;
- iii. the ownership, hire or leasing of any airport, airstrip or helicopter pad.

d. **Products**

caused by or through or in connection with any Product other than food and drink provided for consumption on the premises of the Insured.

4. Vibration and removal of support

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

5. Pollution

- a. liability in respect of Injury, Damage or loss of use of property directly or indirectly caused by Pollution, provided always that this exception shall not apply where such Pollution is caused by a sudden, unintended and unforeseen occurrence;
- b. the cost of removing, nullifying or cleaning up substances resulting from Pollution unless the Pollution is caused by a sudden, unintended and unforeseen occurrence.

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.

6. Fines, penalties and similar damages

fines, penalties, punitive, exemplary or vindictive damages.

7. USA and Canada judgements, awards or settlements

Damages in respect of judgments, awards or settlements in accordance with the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part). For the purpose of this specific exception "Damages" shall be deemed to include costs and expenses of litigation recovered by any claimant from the Insured.

8. Events known to the Insured

any claim arising from an event known to the Insured

- a. which is not reported to the Insurer in terms of General Condition 6;
- b. prior to inception of this section or inception of any extension under this section;
- c. which has been reported to any other insurer;
- d. which happened or is alleged to have happened prior to the applicable retroactive date stated in the schedule.

9. 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 originating cause or source. The provisions of this clause shall apply to claims arising from Damage or Injury and shall apply to Costs and Expenses.

10. Deliberate or intentional acts

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

11. Unlawful competition

any claim or claims whether actual or alleged howsoever arising in connection with or based upon or arising from or in any way involving actual or alleged unlawful competition, unfair practices, abuse of monopoly power, cartel activities or as may otherwise arise from or be based upon or relate to any breach of a provision of the Competition Act no. 89 of 1998 (as amended) or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the Insured's liability arose.

12. Data exception

Loss or damage (including detrimental change) and any consequence therefrom to any Data howsoever caused. Data means any information, facts or program stored as or on, created or used on, or transmitted to or from computer software.

13. Tobacco Manufacturer's Exclusion

Liability arising out of Injury resulting directly or indirectly by the actual or alleged inhalation, ingestion, absorption or by topical or other exposure to tobacco or to nicotine containing products whether in aerosol or particulate form.

Irrespective of the presence of tobacco or nicotine this exclusion also applies to 'electronic cigarettes'.

Memorandum

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

This section does not cover loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, liability, cost or expense:

- a. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military rising, military or usurped power, martial law, state of siege or any other event which determines the proclamation or maintenance of martial law or state of siege;
- b. any act of terrorism;

For the purposes of b. above, an act of terrorism means an act of violence or an act dangerous to human life, tangible or intangible property or infrastructure with the intention or effect to influence any government or to put the public or any section of the public in fear.

- c. loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way related to a. and b. above.

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

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

Specific Conditions

1. Claims first made in writing against the insured

Any claim first made in writing against the Insured as a result of a Defined Event reported in terms of General condition 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. Reporting of events after cancellation or non-renewal of policy

In the event of cancellation or non-renewal of the policy, the Insured may report an event in terms of General condition 6 to the Company within 30 days after expiry of the period of insurance provided such event occurred during the period of insurance.

3. Series of claims from one originating cause

Any series of claims made against the Insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one originating 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.

4. Manifestation clause

When the facts do not speak for themselves and the Company and the Insured cannot mutually agree when the Injury or Damage occurred, then for the purposes of determining the indemnity granted:

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

Clauses and Extensions

1. Extended reporting option

At the option of the Insured and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this section, the Company agrees to extend the period during which the Insured may report an event in terms of General condition 6 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as extended reporting period) provided that:

- a. this option may only be exercised in the event of the Company cancelling or refusing to renew this section;
- b. this option must be exercised by the Insured in writing within 30 days of cancellation or non-renewal;
- c. once exercised, the option cannot be cancelled by either the Insured or the Company;
- d. the Insured has not obtained insurance equal in scope and cover to this section as expiring;
- e. the Company shall only be liable for a defined event which occurred after the retroactive date but prior to date of cancellation or non-renewal;
- f. claims first made against the Insured or any reported event by the Insured during the extended reporting period shall be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal;
- g. the total amount payable by the Company for claims made or reported events during the extended reporting period shall not have the effect of increasing the Limit of Indemnity applicable as on the last day preceding the cancellation or non-renewal.

2. Additional Insured

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

- a. in the event of the death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured;
- b. any partner or director or employee of the Insured (if the Insured so requests) against any claim for which the Insured is entitled to indemnity under this insurance;
- c. to the extent required by the conditions of any contract and 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.

3. Cross liabilities

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

4. Tool of trade

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

5. Employees' and visitors' property

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

6. Transnet and other government departments

Notwithstanding the provisions of Specific exceptions 2(a)(ii) and 3(b), this section extends to indemnify the Insured:

- a. against liability assumed by the Insured under any contract entered into with or indemnity given to Transnet, government or quasi-government departments, provincial administrations, municipalities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature;
- b. against liability arising from loss of or damage to property belonging to Transnet while in the Insured's custody or control;
- c. in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet while being used by or on behalf of the Insured at any railway siding.

7. Unattached trailers

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

- i. which is insured by or would, but for the existence of this section, be insured by any other policy or policies effected by the Insured;
- ii. as falls within the scope of any compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected.

8. Emergency medical expenses

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

9. Car parks

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

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

10. Tenant's liability

Specific exceptions 2(a)(ii) and 3(b) of this section shall not apply to premises occupied by the Insured as tenant (but not as the owner) thereof.

11. Products / defective workmanship liability (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 for claims first made against the Insured in writing during the period of insurance for Damages for which the Insured shall become legally liable for and arising out of Injury or Damage occurring anywhere in the world in the course of or in connection with the business but only arising out of or in connection with the nature or condition of any Product (including wrongful delivery and delivery of incorrect Product).

The amount payable under this extension, inclusive of any Costs and Expenses, for any claim or number of claims for any one event or series of events with one specific and common originating cause or source or during any one period of twelve consecutive months from inception date or anniversary date, shall not exceed in the aggregate the Limit of Indemnity for this extension stated in the schedule.

Additional specific exceptions (applicable to Products / defective workmanship liability extension)

This extension does not cover liability:

- i. for the cost of repair, alteration, recall, reconditioning or replacement of the Product or part thereof (including containers and labels) causing Injury or Damage and/or the loss of use of any Product or part thereof;

For the purposes of this additional specific exception the term "replacement" shall be deemed to include any credit or refund granted or alternative Product provided by or on behalf of the Insured in lieu of replacement of the defective Product;
- ii. for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the Product and any other property essential to such repair, alteration or replacement unless physically damaged by the Product;
- iii. arising from the failure of any Product or any part thereof to fulfil its intended function or to perform as specified, warranted or guaranteed but this exception shall not apply to consequent Injury or Damage;
- iv. arising from 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 Products sold or supplied by or to the order of the Insured, if such Products have, to the Insured's knowledge, been exported to the United States of America or Canada by or on behalf of the Insured;
- vi. for any defect in any Product or any part thereof of which the Insured was aware prior to the inception of this extension.

12. Statutory legal defence costs (if stated in the Schedule to be included)

If the Insured so requests, the Company will indemnify the Insured or 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 the Insured or any employee, partner or director of the Insured with the consent of the Company in the defence of any prosecution of the Insured or any employee, partner or director of the Insured arising from an alleged contravention of the statutes as herein defined in the course of the Business first prosecuted during the period of insurance.

Provided that:

- i. in the case of an appeal, the Company shall not indemnify such person unless a senior counsel approved by the Company shall advise that such appeal should, in his opinion, succeed;
- ii. the Company shall not indemnify such person in respect of any fine or penalty imposed or any loss consequent thereon;
- iii. such person shall, as though he were the Insured, observe, fulfil and be subject to the terms, exceptions and conditions of this policy and this section thereof in so far as they can apply;
- iv. if the prosecution arises from or in connection with any Product, the Company will only indemnify the

Insured or any employee, partner or director of the Insured if the extension for Products Liability is stated in the Schedule to be included.

The statutes

The Consumer Protection Act - No. 68 of 2008 (as amended)

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. 41 of 1987 (as amended) and/or any other act or ordinance pertaining to the supply of electricity

All read in conjunction with the Criminal Procedures Act - No.51 of 1977 as amended

13. Wrongful arrest and defamation (if stated in the Schedule to be included)

The Defined Events are extended to include damages:

- i. in respect of wrongful arrest (including assault in connection with such wrongful arrest);
- ii. in respect of defamatory statements whether written or verbal;

provided always that the limits of indemnity shall not exceed the amount stated in the Schedule.

14. Gratuitous advice

Notwithstanding anything to the contrary contained in specific exception 3(a) the Company will indemnify the Insured in respect of Defined Events caused by the unintentional failure of the Insured to perform the legal duty to exercise due care owed to another person or party in providing technical information or advice to such person or party.

Provided that this section does not cover liability:

- i. arising out of the insolvency of the Insured;
- ii. arising out of financial services and/or cost estimates provided by or on behalf of the Insured;
- iii. arising out of defamation;
- iv. arising out of design, formula, supervision, treatment, technical information or advice given by or on behalf of the Insured in exchange for a fee;
- v. arising out of technical information or advice given in connection with a Product unless the extension for Products Liability is included in the schedule.

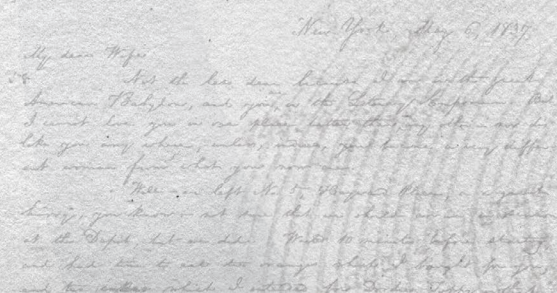
If at the time of any event giving rise to a claim under this extension, indemnity is also provided under any other insurance, this extension shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by such other insurance.

15. Acquisitions and new businesses

The indemnity granted by this section of the Policy extends to any Company formed and/or acquired by the Insured during the period of insurance for a period of 90 days of such formation and/or acquisition.

Provided always that:

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



Defined Events

Damages which the Insured shall become legally liable to pay for and arising out of Injury or Damage occurring within the territorial limits during the period of insurance in the course of or in connection with the Business.

Definitions

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

1. Damage

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

2. Employee

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

3. Injury

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

4. Product

Any tangible property (including containers and labels) after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured.

5. Pollution

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

6. Costs and Expenses

Costs, charges, expenses and legal costs recoverable from the Insured by a claimant or any number of claimants or incurred by the Company or incurred by the Insured with the Company's prior consent:

- i. in the defence or settlement of any claim under this section of the Policy or any action or prosecution brought against the Insured in respect of Injury or Damage or other liability as insured in terms of this section of the policy;
- ii. in the representation at any inquest or accident inquiry in respect of Injury which may form the subject of indemnity under this section of the policy and/or in defending any proceedings in a Court of Summary Jurisdiction in respect of matters which may form the subject of indemnity by this section of the policy.

Limits Of Indemnity

The indemnity payable, inclusive of any Costs and Expenses, for any claim or for any number of claims in respect of any one event or any one series of events having a specific and common originating cause or source, shall not exceed the limit of indemnity stated in the schedule.

In the event of any one specific and common originating cause or source giving rise to a claim or series of claims which form the subject of indemnity by more than one extension of this Section, each extension shall apply separately and be subject to its own separate Limit of Indemnity and the cumulative limit of all applicable extensions less prior payments that eroded an annual aggregate Limit of indemnity applicable to extension 10 (products/defective workmanship liability), shall not exceed the greatest Indemnity Limit available under any one of the extensions affording indemnity for the claim or series of claims.

Where more than one period of insurance of this policy, following its renewal or replacement may apply to a specific and common originating cause or source, the Company's liability will be limited to the maximum Limit of Indemnity for any one such Period of Insurance.

Territorial Limits

Anywhere in the world but not in connection with:

- a. any business carried on by the Insured at or from premises outside or
- b. any contract for the performance of work outside

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

Specific Exceptions

The Company will not indemnify the Insured in respect of:

1. Employees

Liability for and arising out of Injury to any Employee arising from and in the course of employment by the Insured.

2. Property

Damage to:

- a.
 - i. property belonging to the Insured;
 - ii. property in the custody or control of the Insured or any employee of the Insured but this exception shall not apply to premises (or the contents thereof) temporarily occupied by the Insured for work therein;
- b. that part of any property on which the Insured is or has been working if such Damage results directly from such work.

3. Professional advice, vehicles, aircraft, products, and others.

liability for and arising from Injury or Damage.

a. **Professional advice or treatment**

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. **Vehicles, watercraft, locomotives**

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 (other than non-motorised watercraft not exceeding 6 metres in length and used only on inland waterways), locomotive or rolling stock, provided that this exception shall not relieve the Company of liability to indemnify the Insured in respect of liability for and arising from Injury or Damage caused or arising beyond the limits of any carriageway 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. **Aircraft**

caused by or through or in connection with:

- (i) the refuelling or defuelling of aircraft or unmanned aerial vehicles;
- (ii) the ownership, possession, maintenance, operation or use of aircraft, unmanned aerial vehicles or an airline;
- (iii) the ownership, hire or leasing of any airport, airstrip or helicopter pad.

d. **Products**

caused by or through or in connection with any Product other than food and drink provided for consumption on the premises of the Insured.

4. Vibration and removal of support

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

5. Pollution

- a. liability in respect of Injury, Damage or loss of use of property directly or indirectly caused by Pollution, provided always that this exception shall not apply where such Pollution is caused by a sudden, unintended and unforeseen occurrence;
- b. the cost of removing, nullifying or cleaning up substances resulting from Pollution unless the Pollution is caused by a sudden, unintended and unforeseen occurrence.

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.

6. Fines, penalties and similar damages fines, penalties, punitive, exemplary or vindictive damages.

Fines, penalties, punitive, exemplary or vindictive damages.

7. USA and Canada judgements, awards or settlements

Damages in respect of judgements, awards or settlements in accordance with the laws of the United States of America or Canada (or to any order made anywhere in the world to enforce such judgement, award or settlement either in whole or in part). For the purpose of this specific exception "Damages" shall be deemed to include costs and expenses of litigation recovered by any claimant from the Insured.

8. 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 originating cause or source. The provisions of this clause shall apply to claims arising from Damage or Injury and shall apply to Costs and Expenses.

9. Deliberate or intentional acts

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

10. Unlawful competition

Any claim or claims whether actual or alleged howsoever arising in connection with or based upon or arising from or in any way involving actual or alleged unlawful competition, unfair practices, abuse of monopoly power, cartel activities or as may otherwise arise from or be based upon or relate to any breach of a provision of the Competition Act no. 89 of 1998 (as amended) or any similar provision, act or regulation as may be in force in any jurisdiction or country in which the Insured's liability arose.

11. Data exception

Loss or damage (including detrimental change) and any consequence therefrom to any Data howsoever caused data means any information, facts or program stored as or on, created or used on, or transmitted to or from computer software.

12. Tobacco Manufacturer's Exclusion

liability arising out of Injury resulting directly or indirectly by the actual or alleged inhalation, ingestion, absorption or by topical or other exposure to tobacco or to nicotine containing products whether in aerosol or particulate form. Irrespective of the presence of tobacco or nicotine this exclusion also applies to 'electronic cigarettes'.

Memorandum

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

This section does not cover loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, liability, cost or expense:

- a. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military rising, military or usurped power, martial law, state of siege or any other event which determines the proclamation or maintenance of martial law or state of siege.
- b. any act of terrorism.

For the purposes of b. above, an act of terrorism means an act of violence or an act dangerous to human life, tangible or intangible property or infrastructure with the intention or effect to influence any government or to put the public or any section of the public in fear.

- c. loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way related to a. and b. above.

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

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

Specific Condition

Manifestation clause

When the facts do not speak for themselves and the Insurer and the Insured cannot mutually agree when the Injury or Damage occurred, then for the purposes of determining the indemnity granted:

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

Clauses and Extensions

1. Additional Insured

The Company will also, as though a separate policy has 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 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, fulfill and be subject to the terms, exceptions and conditions (both general and specific) of this insurance in so far as they can apply.

2. Cross liabilities

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

3. Tool of trade

Specific exception 3(b) shall not apply to the operation as a tool of any vehicle or plant forming part of such vehicle or attached thereto, provided that the Company shall not be liable hereunder in respect of any liability that 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.

4. Employees' and visitors' property

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

5. Transnet and other government departments

Notwithstanding the provisions of Specific exceptions 2(a) (ii) and 3(b), this section extends to indemnify the Insured:

- a. against liability assumed by the Insured under any contract entered into with or indemnity given to Transnet, government or quasi-government departments, provincial administrations, municipalities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature;
- b. against liability arising from loss of or damage to property belonging to Transnet while in the Insured's custody or control;
- c. in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet while being used by or on behalf of the Insured at any railway siding.

6. Unattached trailers

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

- i. which is Insured by or would, but for the existence of this section, be Insured by any other policy or policies effected by the Insured;
- ii. as falls within the scope of any compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected.

7. Emergency medical expenses

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

8. Car parks

Notwithstanding the provisions of Specific exception 2(a)(ii), the Company will indemnify the Insured in respect of liability as herein provided arising from loss of or damage to vehicles and their contents and accessories, the property of tenants, customers, visitors or employees of the Insured using parking facilities provided by the Insured.

9. Tenant's liability

Specific exceptions 2(a)(ii) and 3(b) of this section shall not apply to premises occupied by the Insured as tenant (but not as the owner) thereof.

10. Products / Defective Workmanship liability (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 for Damages for which the Insured shall become legally liable for and arising out of Injury or Damage occurring anywhere in the world during the period of insurance in the course of or in connection with the business but only arising out of or in connection with the nature or condition of any Product (including wrongful delivery and delivery of incorrect Product).

The amount payable under this extension, inclusive of any Costs and Expenses, for any claim or number of claims for any one event or series of events with one specific and common originating cause or source or during any one Period of twelve consecutive months from inception date or anniversary date, shall not exceed in the aggregate the Limit of Indemnity for this extension stated in the Schedule.

Additional specific exceptions (applicable to Products / Defective Workmanship liability extension)

This extension does not cover liability:

- i. for the cost of repair, alteration, recall or replacement of the Product or part thereof (including containers and labels) causing Injury or Damage and/or the loss of use of any Product or part thereof;
For the purposes of this additional specific exception the term "replacement" shall be deemed to include any credit or refund granted or alternative Product provided by or on behalf of the Insured in lieu of replacement of the defective Product;
- ii. for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the Product and any other property essential to such repair, alteration or replacement unless physically damaged by the Product;
- iii. arising from the failure of any Product or any part thereof to fulfill its intended function or to perform as specified warranted or guaranteed but this exception shall not apply to consequent Injury or Damage;
- iv. arising from 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;
- vi. for any defect in any Product or any part thereof of which the Insured was aware prior to the inception of this extension.

11. Statutory legal defence costs (if stated in the Schedule to be included)

If the Insured so requests, 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 prosecution of such person in the course of his occupation with the Insured arising from an alleged contravention of the statutes herein defined in the course of the business during the period of insurance.

Provided that:

- i. in the case of an appeal, the Company shall not indemnify such person unless a senior counsel approved by the Company shall advise that such appeal should, in his opinion, succeed;
- ii. the Company shall not indemnify such person in respect of any fine or penalty imposed by any magistrate or judge or any loss consequent thereon;
- iii. such person shall, as though he were the Insured, observe, fulfill and be subject to the terms, exceptions and conditions of this policy and this section thereof in so far as they can apply;
- iv. if the prosecution arises from or in connection with any Product, the Company will only indemnify the Insured or any employee, partner or director of the Insured if the extension for Products Liability is stated in the schedule to be included.

The statutes

The Consumer Protection Act - No. 68 of 2008 (as amended)

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. 41 of 1987 (as amended) and/or any other act or ordinance pertaining to the supply of electricity

All read in conjunction with the Criminal Procedures Act – No.51 of 1977 as amended.

12. Wrongful arrest and defamation (if stated in the Schedule to be included)

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 shall not exceed the amount stated in the Schedule.

13. Gratuitous advice

Notwithstanding anything to the contrary contained in Specific exception 3(a) the Company will indemnify the Insured in respect of Defined Events caused by the unintentional failure of the Insured to perform the legal duty to exercise due care owed to another person or party in providing technical information or advice to such person or party.

Provided that this section does not cover liability:

- i. arising out of the insolvency of the Insured;
- ii. arising out of financial services and/or cost estimates provided by or on behalf of the Insured;
- iii. arising out of defamation;
- iv. arising out of design, formula, supervision, treatment, technical information or advice given by or on behalf of the Insured in exchange for a fee;
- v. arising out of technical information or advice given in connection with a Product unless the extension for Products Liability is included in the Schedule.

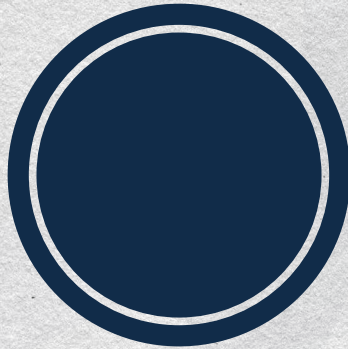
If at the time of any event giving rise to a claim under this extension, indemnity is also provided under any other insurance, this extension shall not be drawn into contribution with such other insurance except in respect of any excess over and above the amount payable by such other insurance.

14. Acquisitions and new businesses

The indemnity granted by this section of the Policy extends to any Company formed and/or acquired by the Insured during the Period of Insurance for a period of 90 days of such formation and/or acquisition.

Provided always that:

1. the Insured's business activities remain unchanged;
2. the annual turnover of all newly formed and/or acquired companies does not exceed 5% of the estimated annual turnover of the Insured as advised to the Company at inception hereof;
3. the Insured shall advise the Company of such formations and/or acquisitions before the expiry of 90 days thereof and the Company may amend the terms of this section of the policy accordingly.



EMPLOYER'S LIABILITY



Defined Events

Damages which the insured shall become legally liable to pay for and arising out of 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.

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 specific and common original cause or source, shall not exceed the limit of indemnity stated in the schedule.

Territorial Limits

Anywhere in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

Specific Exceptions

This section does not cover:

- a. liability assumed by the insured under any contract, undertaking or agreement where such liability would not have attached to the insured in the absence of such contract, undertaking or agreement;
- b. liability from any occupational, industrial, employment-related disease caused by or contributed to by or precipitated by prolonged or repeated exposure to substances of any sort, factors or circumstances peculiar to any industry, particular employment, occupation, workplace or working environment;
- c. fines, penalties, punitive, exemplary or vindictive damages;
- d.
 - i. 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;
 - ii. costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and recoverable in the area described in (d)(i) above;
- e. any claim arising from an event known to the insured;
 - i. which is not reported to the Company in terms of General condition 6;
 - ii. prior to inception of this section;
 - iii. which has been reported to any other insurer;
 - iv. which has happened or alleged to have happened prior to the applicable retroactive date stated in the schedule.
- f. any claim (in the event of cancellation or non-renewal of this section) not first made in writing against the insured within the 48-month period (or extended period in respect of minors) as specified in Specific condition 2.
- g. any compensation or claim as falls within the scope of any legislation or regulation entitling an employee (including a dependent of an employee) to receive any benefit, allowance, pension or annuity. This Specific Exception shall apply notwithstanding that no insurance under such legislation or regulation be or has been in force or has been effected.

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 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 48 months will be extended until the expiry of 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 30 days after cancellation or non-renewal, provided that:
 - i. such event occurred during the period of insurance;
 - ii. any subsequent claim first made in writing against the insured as a result of such event shall be treated as if it had first been made on the last day preceding cancellation or non-renewal and is subject to the 48 month period specified in 2(a) above.
3. Any series of claims made against the insured by one or more than one claimant during any period of insurance consequent upon one event or series of events with one specific and common 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

1. Extended reporting option

At the option of the insured and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this section, the Company agrees to extend the period during which the insured may report an event in terms of General condition 6 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as extended reporting period);

provided that:

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

2. Principals

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

provided that:

- a. in the event of a claim in terms of this extension, the insured shall endeavour to arrange with the principal for the conduct and control of all claims to be vested in the Company;

- b. the principal shall, as though he were the insured fulfil and be subject to the terms, exceptions and conditions (both general and specific) of this policy in so far as they can apply;
- c. the liability of the Company is not hereby increased.

Memorandum

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

This section does not cover loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, liability, cost or expense:

- a. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military rising, military or usurped power, martial law, state of siege or any other event which determines the proclamation or maintenance of martial law or state of siege;
- b. any act of terrorism.

For the purposes of b. above, an act of terrorism means an act of violence or an act dangerous to human life, tangible or intangible property or infrastructure with the intention or effect to influence any government or to put the public or any section of the public in fear.

- c. loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way related to a. and b. above.

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

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



Defined Events

1. Damages, costs, fees and expenses legally enforceable against the Insured for and arising out of Injury, Damage or providing Negligent Advice in the course of or in connection with the Business within the Territorial Limits.
2. Costs reasonably and necessarily incurred in defending or settling such claims will also be paid by the Company, as will costs of legal representation at any inquest or other official enquiry into any incident which the Insurer agrees may give rise to a valid claim under this section.

The indemnity applies in accordance with the law and procedure applicable anywhere in the world but not in respect of any judgement, award or settlement made within countries which operate under the laws of the United States of America or Canada nor to any order made by a court anywhere in the world to recognise or enforce such judgment, award, writ, order or settlement either in whole or in part whether in terms of a bi-lateral treaty, reciprocal legislation or common law unless as otherwise stated herein.

Limits of Indemnity

The amount payable and recoverable under Defined Events 1 and/or 2 for any one event or series of events with one specific and common original cause or source, shall not exceed the limit of indemnity stated in the schedule.

Definitions

The Business is defined in the schedule, but also includes all organisations or functions operated for the benefit of the insured's employees or visitors or for the protection or promotion of the insured's activities;

Damage shall mean loss of or damage to tangible property, trespass, nuisance or wrongful interference with the enjoyment of rights over tangible property;

Injury shall mean death, injury, illness (mental or physical), disease, false imprisonment or arrest of or to any person;

Negligent advice shall mean incorrect or inadequate advice given in the promotion of the insured's Products, but without expectation of any other reward;

Product any tangible property (including containers and labels) after it has left the custody or control of the Insured which has been designed, specified, formulated, manufactured, constructed, installed, sold, supplied, distributed, treated, serviced, altered or repaired by or on behalf of the Insured;

Underlying insurance shall mean indemnity in force in accordance with the schedule of underlying insurance specified in Specific Condition 3:

- i. the Buildings Combined section of this policy, Sub-Section D - Liability
or
- ii. the Public Liability section of this policy (excluding statutory legal defense costs and wrongful arrest and defamation)
or
- iii. the Employers Liability section of this policy
or
- iv. motor third party liability of this policy
or
- v. any liability extension on any section of this policy providing cover to property, excluding Sub-Section D - Legal Liability Documents under the Office Contents Section.

Territorial limits

Anywhere in the world but not in connection with

- a. any business carried on by the Insured at or from premises outside or
- b. any contract for the performance of work outside

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

Basis of Indemnity

This section provides indemnity as defined hereunder in the following circumstances:

Excess Layer Protection provides indemnity within the defined events clause where the claim is prima facie covered by the terms of the Underlying Insurance only to the extent that the claim is not met by such Underlying Insurance solely because of the inadequacy of the underlying indemnity limit;

Difference in Conditions provides indemnity within the defined events clause where the claim is within the defined events clause of the Underlying Insurance only where such claim is rejected because of a policy term, condition or exclusion;

Additional Risks Protection provides indemnity where the claim is outside the scope of the defined events clause of any Underlying Insurance to the extent of this section's defined events clause.

1. Excess layer protection

- a. This section is subject to the same terms, exceptions and conditions as the Underlying Insurance.
- b. The excess layer protection provides indemnity:
 - i. in excess of the limit of indemnity stated to apply to the Underlying Insurance, except where such limit has been reduced or exhausted by reason of claims, in which case this insurance pays in excess of the first amount payable (if any);
 - ii. for those costs defined in Defined Events 2, provided that these are not recoverable from the Underlying Insurance. In the event of the wording of the Underlying Insurance contradicting this clause, the Company's maximum liability under this clause shall be the same proportion of incurred costs as the settled claim bears to the respective limits of indemnity.
- c. Where the limit of indemnity is exhausted by reason of a claim which is also indemnified by this section or is exhausted by previous claims and as a consequence this section operates as a primary policy, in respect of any claim which would otherwise have been indemnified by the Underlying Insurance, the Company will interpret this section as if the Underlying Insurance had still been in force.
- d. Where the Underlying Insurance states that generally or in respect of specified claims the limit of indemnity is the aggregate of all indemnifiable claims occurring or made during the period of the Underlying Insurance, then the limit of indemnity under this section is declared to be on an identical basis as the Underlying Insurance.

2. Difference in conditions protection

- a. If a claim is covered in terms of the Defined Events clause of the Underlying Insurance, but is then excluded by a policy term, exclusion or condition, then this section will indemnify the insured in accordance with the Defined Events.
- b. If a claim is covered in terms of the Defined Events clause of the Underlying Insurance, but such Underlying Insurance is exhausted by reason of other claims and where, in the opinion of the Company, such claim would have been excluded by the Underlying Insurance by reason of a term, exclusion or condition, then the provisions of this Difference in conditions protection will apply.
- c. The Company will follow the provisions of the Defined Events clause of the Underlying Insurance in determining the basis on which the insured is indemnified by this clause of this section, being either:
 - i. in respect of Injury or Damage occurring or Negligent Advice during the period of this section (losses occurring), or
 - ii. in respect of claims made against the insured during the period of this section following Injury, Damage, or Negligent Advice (claims made).
- d. If the Underlying Insurance is on a claims made basis, then the Company will deal with any claim arising out of an event or circumstance first notified by the insured to the Company during the period of insurance of this section even if the Underlying Insurance contains no similar provision.
- e. If a claim is repudiated in terms of the Underlying Insurance on the basis of an exclusion relating to the failure or a product to perform as specified, warranted or guaranteed, or to fulfill its intended purpose and such Underlying Insurance is on a losses occurring basis and the circumstances of the claim is such that the insured or the Company cannot mutually agree when the loss occurred, then the Company will deal with the claim on the basis that the loss occurred when the claimant first notified the insured of a circumstance or an event which subsequently gave rise to an indemnifiable claim.

- f. The difference in conditions protection does not provide indemnity where a claim is excluded by the wording of the Defined Events clause of the Underlying Insurance, except where a claim is excluded by the Underlying Insurance:
- i. solely on the grounds that the Injury or Damage was not accidental by nature, or did not arise out of an accident;
 - ii. solely on the grounds that temporary loss of use of property or reduction in value of property did not constitute damage within the Defined Events clause of the Underlying Insurance.

3. Additional Risks protection

- a. Additional risks protection will indemnify the Insured in respect of any claim which is neither indemnifiable (either in whole or in part) by the Defined Events of the Underlying Insurance nor by the Excess layer protection or the Difference in conditions protection but which is indemnifiable by the Defined Events of this section.
- b. The indemnity granted by the additional risks protection is limited to claims made against the insured during the period of this section, or events or circumstances notified by the insured to the Company during such period which subsequently give rise to claims being made.
- c. The indemnity limit of this section in respect of cover granted by the additional risks protection is limited to the aggregate of all claims made during the period of this section, or event or circumstances notified by the insured to the Company during such period which subsequently give rise to claims being made.
- d. No indemnity is provided by additional risks protection where the Company decline to grant indemnity in terms of Underlying Insurance in respect of a claim on the grounds that the Injury, Damage, Negligent Advice or event did not occur or the claim was not made during the policy period (as the case may be).

Clauses and Extensions

1. Indemnity to others

The indemnity granted shall extend at the insured's option and subject to the Company's consent which consent shall not be unreasonably withheld to include:

1. directors, partners or employees of the insured in that capacity or in their private capacity arising out of any temporary engagement (undertaken with the insured's consent) of the insured's employees;
2. any person or party to the extent that any contract entered into by the insured requires that such indemnity is given;
3. the personal representative of any person or party indemnified.

Provided always that all such persons or parties shall observe, fulfil and be subject to the terms, exceptions and conditions of this policy.

2. Cross liability

The insured and persons or parties indemnified by the Extension "Indemnity to others" are indemnified 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.

Specific Exceptions

The Company will not indemnify the insured in respect of;

1. fines, penalties, punitive, exemplary or vindictive damages;
2. pollutions arising out of:
 - a. 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 unexpected happening;
 - 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 unexpected happening.

nothing in this exception shall be construed as extending the policy to cover any liability which would not have been insured under this policy in the absence of this exception;

3. any Injury, Damage or Negligent Advice which occurs prior to the Retroactive Date which is applicable to the Underlying Insurance;
4. liability arising out of any circumstance or event known to the insured:
 - a. which is not reported to the Company in terms of General condition 6 and/or
 - b. prior to inception of this section
 - c. which has been reported to any other insurer
5. liability arising out of any deliberate or intentional failure of the insured or the insured's management to take reasonable precautions to prevent Injury, Damage, or Negligent Advice;
6. any fine imposed or penalty incurred as a consequence of the commission of a criminal offence;
7. any compensation or claim as falls within the scope of any legislation or regulation entitling an Employee (including a dependent of an Employee) to receive any benefit, allowance, pension or annuity. This specific exception shall apply notwithstanding that no insurance under such legislation or regulation be or has been in force or has been effected;
8. 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;
9. any costs necessary to repair, replace, recondition or modify any Product or part thereof and/or for the loss of use of any Product or part thereof;
10. any liability arising out of the recall of any Product or part thereof;
11. any liability arising out of performance warranties or guarantees or clauses stipulating liquidated damages or penalties, except to the extent that it is proved that such liability would have existed in the absence of such contractual provision;
12. any occupational, industrial, employment-related disease caused by or contributed to by or precipitated by prolonged or repeated exposure to substances of any sort, factors or circumstances peculiar to any industry, particular employment, occupation, workplace or working environment;
13. any liability for motor balance of third party liability unless such liability is in excess of the Underlying Insurance and is indemnifiable there under;
14. any liability arising out of the carriage of passengers for hire or reward or the carriage of fare paying passengers;
15. loss or damage (including detrimental change) and any consequence therefrom to any Data howsoever caused. Data means any information, facts or program stored as or on, created or used on, or transmitted to or from computer software;
16. liability for any unfair labour practice including but not limited to unfair dismissal within the meaning of the Labour Relations Act No. 66 of 1995 as amended, or any Act passed in substitution therefore;
17. any Product (Including any marketing advisory service in connection with any Product) within the United States of America or Canada where such Product was to the knowledge of the Insured intended for sale or resale in the United States of America or Canada or such sale or resale could reasonably be contemplated by the Insured;
18. any liability if the transport of hazardous substances was not in compliance with chapter VIII of the Road Traffic Act 1996 (Act 93 of 1996);
19. liability arising out of any deliberate or intentional act of the insured, any employee of the insured or any person for whom the insured would be vicariously liable;
20. Additional specific exceptions (only applicable to 2. Difference in conditions protection and 3. Additional Risks protection).

The Difference in Conditions protection and Additional Risks extensions do not cover liability for or arising out of:

- a. the ownership, hire purchase or leasing of any aircraft, unmanned aerial vehicle, watercraft or hovercraft (other than watercraft not exceeding 15,25 metres in length and then only whilst on inland waterways) by or on behalf of the insured;
- b. the repair, maintenance, refuelling or defuelling of any aircraft, unmanned aerial vehicle, watercraft or hovercraft undertaken by or on behalf of the insured as revenue producing activity;
 Exceptions 20.a and 20.b do not apply to liability for death, injury, illness or disease of or to employees of the insured arising out of such employment;
- c. acts, errors or omissions of the directors or officers of the insured when acting in their capacity as such or in the provision by the insured of professional services which shall include giving advice, any action taken

or work done by the insured when carrying on their functions in any capacity involving special skill or knowledge in their calling or the failure to discharge any obligations pursuant thereto. This exception does not apply to Negligent Advice;

- d. seepage, pollution or contamination being the natural consequence of the operation or existence of the Business;
 - e. Damage to property owned, leased or hired by or under hire purchase or on loan to the insured or otherwise in the insured's care, custody or control other than premises (or the contents thereof) temporarily occupied by the insured for work therein or other property temporarily in the insured's possession for work thereon (but no indemnity is granted for Damage to the property on which the insured is working and which arises out of such
 - f. The amount of the Deductible stated in Specific Condition 3 in respect of each and every claim or series of claims arising from one specific and common originating cause or source
 - g. death of or bodily injury to or illness of any person employed under a contract of service or apprenticeship with the Insured.
21. Damages, costs and expenses arising out of or in relation to:
- a. statutory legal defence costs
 - b. wrongful arrest and defamation
22. liability arising out of Injury resulting directly or indirectly by the actual or alleged inhalation, ingestion, absorption or by topical or other exposure to tobacco or to nicotine containing products whether in aerosol or particulate form. Irrespective of the presence of tobacco or nicotine this exclusion also applies to 'electronic cigarettes'.

Memorandum

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

This section does not cover loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by resulting from or in connection with any of the following regardless of any other cause or event contributing concurrently or in any other sequence to the loss, damage, liability, cost or expense:

- a. war, invasion, acts of foreign enemies, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military rising, military or usurped power, martial law, state of siege or any other event which determines the proclamation or maintenance of martial law or state of siege.
- b. any act of terrorism.

For the purposes of b. above, an act of terrorism means an act of violence or an act dangerous to human life, tangible or intangible property or infrastructure with the intention or effect to influence any government or to put the public or any section of the public in fear.

- c. loss, damage, cost or expense of whatsoever nature directly or indirectly caused by, resulting from or in connection with any action taken in controlling, preventing, suppressing or in any way related to a. and b. above.

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

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

Specific Conditions

1. Any dispute between the insured and the Company in connection with or arising out of this section shall be decided exclusively in accordance with the law of the Republic of South Africa and exclusively by a competent court of the Supreme Court of South Africa;

The insured undertakes that they will not institute action against the Company nor bring joint proceeding against the Company in the Court of any country other than the Republic of South Africa;

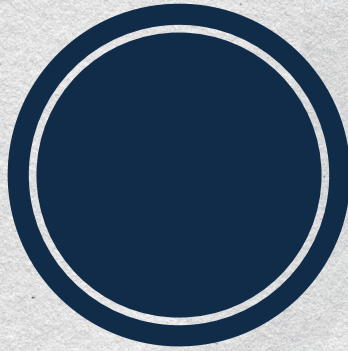
2. The insurance under this section shall cease if the Business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the Company;

3. The indemnity granted by this policy section is conditional upon the Underlying Insurance of this policy remaining in force throughout the period of insurance and that the limits of indemnity in terms of the Underlying Insurance shall not be less than:

Underlying Sections	Limit of liability
Buildings combined	R5 000 000
Public Liability, but excluding, a. Statutory legal defence costs b. Wrongful arrest and defamation	R5 000 000
Employer's Liability	R5 000 000
Motor Liability	R5 000 000
Any Liability extension on any section of this policy providing cover to property, excluding Sub-Section D - Legal Liability Documents under the Office Contents Section.	R5 000 000

If, at the date of loss, the limit of indemnity in terms of the Underlying Insurance, is less than the limits indicated above, then the insured shall be considered as being their own insurer for the difference.

4. If, at the time of any event giving rise to a claim under this section, indemnity is also provided under any other insurance, other than a policy to specifically provide indemnity in excess of this policy, this section shall not be drawn into contribution with such other insurance. The provisions of this condition shall apply notwithstanding that the aforesaid policy be voidable or that the insurer be entitled to avoid liability for an occurrence which has given rise to a claim under such other policy.



STATED BENEFITS



New York, May 6, 1837.

My dear Wife,

As the time has come when I am to go to the great
business of the world, and you, as the lady of the house, I
must leave you in the place of the lady of the house, and I
like you very much, and I am sure you will be very happy
and contented with your new situation.

Now, my dear wife, I leave you in the hands of the great
business of the world, and I am sure you will be very happy
and contented with your new situation. I am sure you will be
very happy and contented with your new situation. I am sure
you will be very happy and contented with your new situation.

and I am sure you will be very happy and contented with your
new situation. I am sure you will be very happy and contented
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happy and contented with your new situation. I am sure you will
be very happy and contented with your new situation. I am sure
you will be very happy and contented with your new situation.

Defined Events

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

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

Definitions

Permanent disability shall mean

	Percentage of compensation
a. loss by physical separation at or above the wrist or ankle of one or more limbs	100
b. permanent and total loss of	
whole eye	100
sight of eye.....	100
sight of eye except perception of light	75
c. permanent and total loss of hearing	
both ears	100
one ear	25
d. permanent and total loss of speech	100
e. injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
f. loss of four fingers	70
g. loss of thumb (one or both phalanges)	25
h. loss of index finger (one, two or three phalanges)	10
i. loss of any other finger (one, two or three phalanges) - each finger	6
j. loss of metacarpals - first, second, third, fourth or fifth (additional)	5
k. loss of toes	
all on one foot	30
great, one or both phalanges	5
other than great, if more than one toe lost, each	5

Memoranda

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

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

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

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

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

Business Limitation (If stated in the schedule to be applicable)

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

Provisos

It is declared and agreed that:

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one Such Person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this section shall not apply to any Such Person under 15 or over 70 years of age;
4. any compensation payable by the Company for any period of temporary total disability or for medical expenses shall be reduced by an amount equal to the compensation received or receivable by or on behalf of Such Person under any workmen's compensation enactment for temporary disability for the same or a lesser period or in respect of medical expenses;
5. after suffering accidental bodily injury for which compensation may be payable under this section, Such Person shall, when reasonably required by the Company to do so, submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
6. General conditions 2 and 9 do not apply to this section;
7. In respect of this section only, General exception 1 is deleted and replaced by the following:
This section does not cover death or injury directly or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power

Clauses And Extensions

1. Exposure

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

2. Disappearance

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

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

Subject to the exclusion shown below, the following item is added to the definition of Permanent disability:

Description	Percentage of compensation
Permanent disfigurement resulting from accidental external burns to the combined surface area of the	
i. face and neck	
100% surface area disfigurement	60%
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	30%
less than 100% surface area disfigurement	The proportion of 25 which the actual surface area disfigurement bears to 100% surface area disfigurement

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

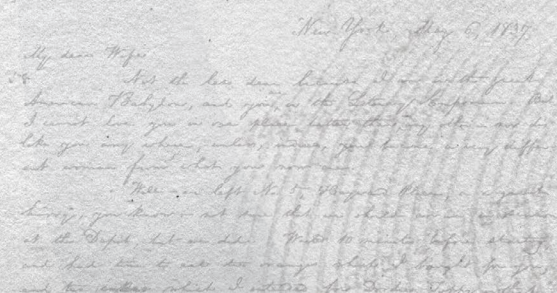
4. Life-support machinery

Notwithstanding anything contained in the defined events, the 24-month period stated therein shall not include any period or periods where the death of Such Person is delayed solely by the use, for periods of not less than three consecutive days, of life-support machinery, equipment or apparatus.

Specific Exceptions

The Company shall not be liable to pay compensation for death, disability or medical expenses in respect of Such Person:

- while he is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
- by his suicide or intentional self-injury;
- caused solely by an existing physical defect or other infirmity of Such Person;
- as a result of the influence of alcohol, drugs or narcotics upon such person unless administered by a member of the medical profession (other than himself) or unless prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);
- as a result of his participation in any riot, civil commotion or act of terrorism;
- 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;
- while he is, or as a result of his, engaging in
 - motorcycling, motor quadracycling or tricycling (whether as a driver or passenger) other than on the business of the insured;
 - racing of any kind involving the use of any power-driven
 - vehicle
 - vessel
 - craft
 - mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football/rugby or para/hang-gliding.



Defined Events

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

The Company will pay to the Insured, on behalf of Such Person or his estate, the compensation stated in the schedule in the event of accidental bodily injury to any Such Person directly and independently of all other causes resulting within 24 calendar months in death or disability as specified in the schedule.

Definitions

Permanent disability shall mean:

Percentage of compensation

a.	loss by physical separation at or above the wrist or ankle of one or more limbs.....	100
b.	permanent and total loss of	
	whole eye.....	100
	sight of eye.....	100
	sight of eye except perception of light	75
c.	permanent and total loss of hearing	
	both ears	100
	one ear	25
d.	permanent and total loss of speech	100
e.	injuries resulting in permanent total incapacity from following usual occupation or any other occupation for which Such Person is fitted by knowledge or training.....	100
f.	loss of four fingers	70
g.	loss of thumb (one or both phalanges)	25
h.	loss of index finger (one, two or three phalanges)	10
i.	loss of any other finger (one, two or three phalanges) - each finger	6
j.	loss of metacarpals - first, second, third, fourth or fifth (additional	5
k.	loss of toes	
	all on one foot	30
	great, one or both phalanges	5
	other than great, if more than one toe lost, each	5

Memoranda

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

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

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

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

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

Provisos

It is declared and agreed that

1. the Company shall not be liable to pay, for death or disability resulting from an accident or series of accidents arising from one cause in respect of any one Such Person, more than the compensation payable for death or permanent disability (whichever is the higher) plus any compensation payable for temporary total disability and medical expenses;
2. the compensation specified for temporary total disability shall be payable for not more than the number of weeks stated in the schedule and such payment shall cease as soon as the injury causing the incapacity has healed as far as is reasonably possible, notwithstanding that permanent disability may remain;
3. unless otherwise provided herein, this section shall not apply to any Such Person under 15 or over 70 years of age;
4. after suffering accidental bodily injury for which compensation may be payable under this section, Such Person shall, when reasonably required by the Company to do, so submit to medical examination and undergo any treatment specified. The Company shall not be liable to make any payment unless this proviso is complied with to its satisfaction;
5. General conditions 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".

Clauses And Extensions

1. Exposure

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

2. Disappearance

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

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

Subject to the exclusion shown below, the following item is added to the definition of Permanent disability:

Description	Percentage of compensation
permanent disfigurement resulting from accidental external burns to the combined surface area of the	
i. face and neck	
100% surface area disfigurement	60%
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The Company shall not pay under any sub-item of this extension unless the disfigurement exceeds 10% for the sub-item under which a claim is lodged.

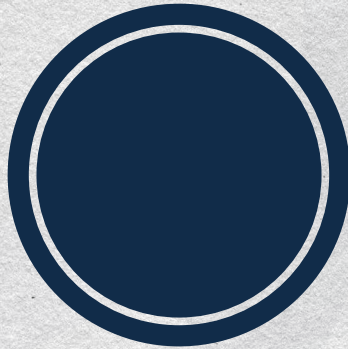
4. Life-support machinery

Notwithstanding anything contained in the defined events, the 24-month period stated therein shall not include any period or periods where the death of Such Person is delayed solely by the use, for periods of not less than three consecutive days, of life-support machinery, equipment or apparatus.

Specific Exceptions

The Company shall not be liable to pay compensation for death, disability or medical expenses in respect of Such Person:

1. while he is travelling by air other than as a passenger and not as a member of the crew or for the purpose of any trade or technical operation therein or thereon;
2. by his suicide or intentional self-injury;
3. caused solely by an existing physical defect or other infirmity of Such Person;
4. as a result of the influence of alcohol, drugs or narcotics upon Such Person unless administered by a member of the medical profession (other than himself) or unless prescribed by and taken in accordance with the instructions of a member of the medical profession (other than himself);
5. as a result of his participation in any riot, civil commotion or acts of terrorism;
6. in the case of females, directly or indirectly resulting from or prolonged or accelerated by or attributable to pregnancy, childbirth, abortion, miscarriage, obstetrical procedures or any sequelae thereof;
7. while he is, or as a result of his, engaging in
 - a. motorcycling motor quadracycling or tricycling (whether as a driver or passenger) other than on the business of the insured;
 - b. racing of any kind involving the use of any power-driven
 - i vehicle
 - ii vessel
 - iii craft
 - c. mountaineering necessitating the use of ropes, winter sports involving snow or ice, polo on horseback, steeplechasing, professional football/rugby or para/hang-gliding.



MOTOR



Sub-Section A – Loss or Damage

Defined Events

Loss of or damage to any vehicle described in the schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the Company will pay the reasonable cost of protection and removal to the nearest repairers and the insured may give instructions for repairs to be executed without the prior consent of the Company to the extent of but not exceeding R5 000, provided that a detailed estimate is first obtained and immediately forwarded to the Company. The Company will also pay the reasonable cost of delivery to the insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi or Mozambique.

Provided that:

1. the limit of indemnity for each type of vehicle is as stated in the schedule and shall be the maximum amount payable by the Company in respect of such loss or damage, but shall not exceed the reasonable retail value of the vehicle and its accessories and spare parts at the time of such loss or damage;
2. the Company may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the reasonable retail value of such vehicle and/or its accessories and/or spare parts at the time of such loss or damage;
3. if, to the knowledge of the Company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the Company in respect of such loss or damage;
4. in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion) under this sub-section, the insured shall be responsible for the first amounts payable stated in the schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this sub-section (including any payment in respect of costs, expenses and fees), and of any expenditure by the Company in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the Company shall include any first amount payable for which the insured is responsible, such amount shall be paid by the insured to the Company forthwith;
5. the Company shall not be liable for more than the amount stated in the schedule (after deduction of the first amounts payable) in respect of the theft or attempted theft of radios, tape-players and similar equipment or telephones not supplied by the manufacturers of the vehicle when new.

Exceptions To Sub-Section A

The Company shall not be liable to pay for:

- a. consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages;
- b. damage to tyres by application of brakes or by road punctures, cuts or bursts;
- c. damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities;
- d. detention, confiscation or requisition by customs or other officials or authorities, provided that this exception shall not apply to damage occurring during such detention, confiscation or requisition which is discovered on return of the vehicle to be insured.

Sub-Section B – Liability to Third Parties

Defined Events

Damages which the insured shall become legally liable to pay for and arising out of an accident with any vehicle described in the schedule or in connection with the loading and/or unloading of such vehicle in respect of which the insured and/or any passenger becomes legally liable to pay all sums including claimant's costs and expenses in respect of:

- i. death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the insured arising from and in the course of such employment or being a member of the same household as the insured;

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

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

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this sub-section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this sub-section, provided that the total of the Company's liability under both this extension and sub-section B shall not exceed the limit of indemnity stated to apply to sub-section B;
2. indemnify any person who is driving or using such vehicle on the insured's order or with the insured's permission provided that:
 - a. such person shall, as though he were the insured, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply;
 - b. such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer;
 - c. indemnity shall not apply in respect of claims made by any member of the same household as such person;
 - d. such person is not entitled to indemnity under any other policy except 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 him and not leased or hired to him under a lease or suspensive sale agreement, provided the insured is an individual and has insured hereunder a vehicle 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;
- d. any liability arising from the transport of hazardous substances not transported in compliance with chapter viii of the road traffic act 1996 (Act 93 of 1996).

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 R5 000 per injured occupant but not exceeding R25 000 in total for all

occupants injured as a result of an occurrence or series of occurrences arising out of one event.

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

1. Any private type motor car or motorised caravan
2. Any other type of insured vehicle other than a bus or taxi

Specified part of vehicle in which the injury must occur

- Anywhere inside the vehicle
- The permanently enclosed passenger-carrying compartment

Definitions

1. Occurrence

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

2. Vehicle

The term vehicle shall mean:

- a. private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 9 persons including the driver);
- b. commercial vehicles and special type vehicles as described in the schedule;
- c. motorcycles (including motor scooters and 3-wheeled vehicles);
- d. buses (including any vehicle used for business purposes and designed to seat more than 9 persons, including the driver);
- e. caravans and trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto;

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

Claim-Free Group Rebate Provisions (applicable to specified vehicle basis)

The policy schedule reflects the claim-free group of each vehicle. These are awarded based on the number of claims made or arising during preceding insurance periods or the number of claim-free years in preceding insurance periods in respect of each vehicle. The renewal premium is based on the revised claim-free group except in the event of a claim wherein the claim-free group will be adjusted directly thereafter – in accordance with the following criteria:

- a. Claim-Free Groups range from 0 to 7 for vehicle definitions (a) with 7 having the lowest and 0 having the highest premium. For vehicle definitions (b), (c), (d) and (e) the Claim-Free Group range from 0 to 4.
- b. As an example a Claim-Free Group 3 would be awarded to a vehicle that has been Claim-Free for the preceding 3 years and a 6 for a vehicle that has been Claim-Free for the preceding 6 years.
- c. Each claim made or arising in a period of insurance will result in the Claim-Free Group reducing by 2 after the claim. An example, if a vehicle with a Claim-Free Group 5 has a claim during the period of insurance this will result in a Claim-Free Group 3 after the claim. If the same vehicle with a Claim-Free Group 5 has 2 claims during the period of insurance the Claim-Free Group will reduce by 2 after each claim resulting in a Claim-Free Group 1.
- d. If more than one vehicle is described in the schedule to this policy, the Claim-Free Group shall be applied as if a separate policy had been issued in respect of each such vehicle.

Clauses and Extensions

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

The indemnity under sub-section B includes claims made against:

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

Provided that:

- i. all the words in (b) of the exceptions to sub-section B are deleted;
- ii. the Company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above;
- iii. the payment by the insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension;
- iv. if, at the time of the occurrence of any accident giving rise to a claim under this extension, the insured or such person is entitled to indemnity under any other policy in respect of the same occurrence, the Company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy;
- v. the terms, exceptions and conditions of the policy shall otherwise apply.
- vi. the limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

2. **Passenger liability extension** (if stated in the schedule to be included)

Exception (b) to sub-section B shall not apply to vehicles described in definition (b), other than special types, or in definitions (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** (if stated in the schedule to be included)

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

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

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

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

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

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

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

5. **Windscreen extension**

The provisions of this section relating to first amount payable and Claim-Free Group 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 glass) stated in the schedule of each and every loss.

6. Waiver of subrogation rights

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

7. Principals

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

8. Cross liabilities

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

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

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

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

provided that this extension does not cover:

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

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

10. 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:

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

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

11. Fire extinguishing charges extension

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

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

12. 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.

13. Credit shortfall - applicable to private type motor cars only (if stated in the schedule to be included)

The Company will pay the difference between the value of the private type motor car (as defined in Sub-Section A) and the outstanding settlement value in terms of a credit agreement as defined by the National Credit Act (Act 34 of 2005) that the Insured has entered into with a registered financial institution.

The Company will pay this difference only if payment shall have been made or liability accepted for loss of or damage to the private type motor car under Sub-Section A of this policy, provided that:

- a. the private type motor car is beyond economical repair as deemed by the Company or
- b. the private type motor car is stolen and not recovered within a reasonable period

The Company will not be liable for

- I. any arrears, including interest payable on the arrears
- II. any refunds of premium for cancellation of insurance in respect of the private type motor car

14. Replacement of insured vehicles

In the event of a private type motor car, as stated in the schedule, being damaged, and in the Company's opinion cannot be repaired economically, or stolen and not recovered within a reasonable time, the Company will replace such vehicle with a similar new vehicle, subject to the availability thereof, provided that:

- a. the loss or damage occurs within 12 months of the first registration of such vehicle;
- b. the insured vehicle has not travelled more than 2 500 kilometres per month or 30 000 kilometres in total;
- c. the Company shall not be liable for more than the amount stated in the schedule after the deduction of the first amount payable.

Memorandum - war clause

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.

Specific Conditions

1. Premium adjustment clause

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

2. Description of use clause

Use for social, domestic and pleasure purposes and use for the business or occupation of the insured excluding:

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

3. Driver's Licenses

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

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 C and the No-Claim Rebate provisions are cancelled.

Specific Exceptions

1. The Company shall not be liable for any accident, injury, loss, damage or liability:
 - a. whilst the vehicle is being used with the general knowledge and consent of the insured otherwise than in accordance with the description of use clause;
 - b. incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe Malawi and Mozambique 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 not licensed to drive such vehicle;
 - ii. any other person with the general consent of the insured who, to the insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or who is not licensed to drive such vehicle, but this shall not apply if the insured was unaware that the driver was unlicensed and the insured can prove to the satisfaction of the Company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles.

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

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.

Dear customer...

Sasria provides short-term insurance cover against special risks that the broader insurance industry does not cover. Examples of these special risks are civil commotion, strike, riot, public disorder and terrorism.

This document is the legal and official version of your Sasria policy wording. The laws of South Africa govern this policy.

Your contract with Sasria comprises:

- the policy wording (this document);
- the Sasria policy schedule;
- any information that you, or someone acting on your behalf, supply to us; and
- any amendment to the policy.

Please read the wording carefully to make sure that you understand what your policy covers. You must always read the wording together with the Sasria schedule.

We look forward to being of service to you.

How to reach us

011 214 0800 or 086 172 7742 | contactus@sasria.co.za | www.sasria.co.za

General terms and conditions

How you should read this document

"We", "our" or "us" in the wording refers to Sasria SOC Ltd. "You" or "your" in the wording refers to the policyholder.

Words in the singular include the plural. Words in the masculine gender (he) include the feminine gender (she).

Your Sasria policy and the underlying policy

You must have an underlying policy in force

To be insured against the special risks mentioned above, you must have an underlying policy contract in force that includes Sasria cover at the time of the event that gives rise to a loss. If you choose to only take out Sasria cover, there must be a pro forma underlying policy as a formality. The pro forma policy can be issued by any underlying insurer. The underlying insurer must give you Sasria cover regardless of your risk profile.

Sasria policies attach to the underlying policy or they are stand-alone:

- **Attached policies** incorporate the terms, conditions and warranties of the underlying policy with some exceptions (see the next subsection).
- **Stand-alone policies** have their own terms and conditions that are listed in the relevant policy wording.

Policies that attach to the underlying policy	Stand-alone policies
Material Damage (Fire) Contract Works	Motor Business Interruption (Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit, Project Delay)

Policies that attach to the underlying policy

For these policies, the terms, conditions, exclusions and warranties of the underlying policy also apply to the Sasria policy **except for those listed below**:

Standard S.A.I.A. Exceptions

The general exclusions of underlying policies typically include the Standard S.A.I.A. Exceptions. Your Sasria policy covers some of the S.A.I.A. Exceptions, but not all of them.

Your Sasria policy covers **civil commotion, riot, strike, lockout, public disorder, rebellion and revolution and terrorism** (S.A.I.A. Exceptions A(i), A(iii)(b), A(iv), A(v), A(vi) and A(vii) to the extent that A(vii) refers to A(i), A(iii)(b), A(iv), A(v) and A(vi) and C).

Your Sasria policy does not cover **war and war-related activities** (S.A.I.A. Exceptions A(ii), A(iii)(a) and A(vii) to the extent that A(vii) refers to A(ii) and A(iii)(a) and B).

In each policy, see **What we cover** and **What we don't cover** for the details.

If the numbering in your underlying policy does not correspond with the numbering of the Standard S.A.I.A. Exceptions, you must refer to the corresponding contents.

Extensions

Sasria special risk cover only applies to the basic cover of the underlying policy. It does not apply to any additional perils and extensions included in the underlying policy, whether optional or not. Sasria covers its own list of extensions at an additional premium. You will find the list of extensions at [Motor Section](#). Contact us if you want Sasria cover for any of these extensions.

Excess

For Material Damage (Fire), there is no excess payable if you claim under your Sasria policy.

For Contract Works, the following excess is payable:

For loss or damage to contract works and materials, the excess or first amount payable is calculated as 0,1% of the value of the specific contract for which a claim is made.

The following minimum and maximum amounts apply:

Minimum excess (first amount payable)

- R250 (Domestic risks)
- R2 500 (All other risks)

Maximum excess (first amount payable)

- R25 000

For loss or damage to a construction plant, the excess is R1 000 for each loss or damage arising from any one insured event.

Premium

Any adjustment of the premium clause or condition in the underlying policy will not automatically apply to your Sasria policy.

Period of insurance

The period of insurance of your Sasria policy is the same as the period of insurance of the underlying policy.

Sasria and the underlying insurer must sign your schedule

For your Sasria contract to be valid, the Sasria schedule must bear the signatures of a director of Sasria and the underlying insurer.

Cancellation

Only you have the option to cancel Sasria cover; Sasria will never cancel your cover.

If an underlying policy is cancelled, it does not automatically result in cancellation of your Sasria cover. The underlying insurer must give you the option to keep your Sasria cover except if the cancellation was due to non-payment. If you choose to keep your Sasria cover, the underlying insurer will issue a pro forma policy to which your Sasria policy will attach.

Our rights

To review rates and premiums

We reserve the right to review the terms and conditions of a policy, including rates and premiums, in line with all applicable laws (e.g. the Policyholder Protection Rules). Where necessary, some or all classes of business rates and premiums may be reviewed with reference to trends, expectations and assumptions, including but not limited to the following:

- a) Documented trend of poor performance on class or classes of business over the last three (3- to five (5) years;
- b) Reasonably balancing the interests of Sasria SOC Ltd and its policyholders' expectations; and
- c) The extent to which the assumptions on which the premium was based have been met.

In accordance with the law, we will duly notify the policyholder in writing, through our distribution channels, of the details of the pending review; the effective date of the review; the reasons for the review; the implication of the review; the policyholder's rights and obligations regarding the review,

including any cooling-off rights offered and procedures applicable for the exercise thereof; and any other relevant details.

Each policyholder will be given a reasonable notice period to make an informed decision as to whether the policy continues to meet the policyholder's requirements as a result of the reviewed terms and conditions.

To take possession of damaged property

When you claim under this policy, you agree that we, and any person authorised by us, have the right to enter the damaged property, or take possession of it, and deal with it in any reasonable manner. This right does not imply that we accept liability for the claim. It also does not diminish our right to apply any condition of this policy.

You remain responsible for all damaged property until it is in our possession.

To take legal action on your behalf

If we have compensated you for loss or damage, we have the right to recover our costs from the responsible third-party. We have the right to take legal action on your behalf to defend or settle any third-party claim. You agree that we may conduct the legal proceedings to our full discretion.

You must cooperate fully with us. Specifically, you agree to:

- do nothing that will prejudice or limit our rights;
- give us all information and documents we require;
- sign any document or affidavit that we request to enable us to exercise our rights;
- attend depositions, hearings, trials and give evidence as necessary; and
- make no admission, offer, promise, payment or statement about Sasria's liability without our written consent.

Transfer of rights

Only you have the right to claim against us under this policy. This right may only be transferred to another person or entity if you should die or if the law orders it.

Sharing information

By entering into a contract with Sasria, you waive your right to privacy and agree that we may disclose to any other insurance company any relevant information that you, or someone else on your behalf, has provided to us.

Your responsibilities

To be covered

To be covered under your Sasria policy:

1. The underlying policy must have been valid and active on the date of the insured event for which you claim;
2. The Sasria premium payments must be up to date and we must have received all such payments; and
3. You must, for attached policies, comply with the terms and conditions of your Sasria policy and those of the underlying policy (with the exceptions described above under **Policies that**

attach to the underlying policies). For stand-alone policies, you must comply with the terms and conditions of your Sasria policy.

Pay the premium in advance

Your Sasria premium is payable in advance per month or per year. If the period of insurance is more than one month, but less than 12 months, the full annual premium will be payable in advance.

If we do not receive your premium by the due date, we will consider this policy to have lapsed at 24:00 (midnight) of the last day of the previous period of insurance, unless you can prove that the failure to pay was an error on the part of our agent or your broker.

Take all reasonable precautions

You must take all reasonable action to prevent loss or damage.

Do not withhold information or commit fraud

It is your responsibility to make sure that you give us all relevant information and that this information is complete, correct, and remains correct. If you withhold any information, or give us false or incorrect information, we may refuse to pay your claim.

We have the right to verify or investigate any information that you submit.

We have the right to reject a claim if you, or any person representing you, commit fraud in terms of this Sasria policy. If we refuse to pay your claim because of fraud or attempted fraud, we will not refund premiums already paid and may start legal proceedings against the defrauding party.

You commit fraud if you, or anyone on your behalf:

- submit a false or dishonest claim under this policy;
- use false or dishonest means or false information to benefit from the cover that we provide; or
- deliberately cause an insured event. For example, if you should deliberately cause a fire or add fuel to it.

Compensation

How we compensate you

If you have a valid claim, we will compensate you for the lost or damaged property by making a payment to you, or by repairing, replacing or reinstating the damaged property.

Who gets the compensation?

If we accept liability, we compensate the policyholder, or his beneficiary in the event of his death, except in the following cases:

1. If the lost or damaged property is still under finance, we will pay the financial institution first.
2. If the lost or damaged property has been sold to you, but the seller still has an insurable interest in the property, we will compensate the seller proportionally if you write to us and request us to do so.

If the compensation that settles the claim is accepted, we will have no further liability regarding the claim.

Policy limits

The limits of compensation are detailed in the respective policies.

Agreed value

If the property is leased, rented or hired under an agreement that requires the insured to insure the property and/or be responsible for it at an agreed value, the sum insured will be the stipulated agreed value.

Countries where you are covered

This policy covers only property situated in the Republic of South Africa or in the territorial waters of South Africa. The 1982 United Nations Convention on the Law of the Sea defines territorial waters as "a belt of coastal waters extending 12 nautical miles (22.2 km) from the baseline (usually the mean low-water mark) into the sea".

Sasria has an agreement with the Namibian special risk insurance association (Nasria). In terms of this agreement, you have Sasria cover in Namibia for a maximum of sixty (60) consecutive days.

Disputes

If a dispute arises as to the compensation payable, or the liability of Sasria, we will refer the matter for arbitration in terms of the arbitration laws in force at that time in the Republic of South Africa, at a place that we will determine.

You will not have the right to take legal action against Sasria until the arbiter has made a decision. The decision of the arbiter will be final and binding.

Amendment

You, or Sasria, may amend this policy, but no amendment to this policy will be valid unless a director of Sasria has signed the amendment.

How to claim

What to do after an insured event

1. Contact your underlying insurer. The underlying insurer will let you know if you have a special risk claim and will handle the Sasria claim on your behalf.
2. Report the incident to the police within 48 hours and get a case number.
3. Do not make any offer or promise or admit responsibility.
4. Do not leave any damaged property without supervision, if possible.

You must claim, or notify us of the intention to claim, under this policy within thirty (30) days of the date of the insured event.

If we receive your claim or notification more than twelve (12) months after the date of the insured event, we will not consider liability, unless the claim is the subject of pending legal action or if the underlying insurer has not yet completed the final assessment of the loss. It is your responsibility to notify Sasria immediately of a pending legal action or delay in the final assessment.

Supporting documents

For all claims, we will request supporting documents or information. We will send you a list of all the required documents.

Motor

Motor is a stand-alone policy with its own terms and conditions. It does not attach to the terms and conditions of the underlying policy.

Important words and phrases

Word or phrase	Defined meaning
Civil commotion	Large-scale violence by members of the public, causing injury to people or damage to property.
Consequential loss	Loss or damage that is not directly caused by an insured risk, but which is an indirect consequence or result of the insured risk.
Labour disturbance	<p>In the case of Slabbert Burger vs Sasria, disturbance in a labour context was defined as "an overt disturbance of the public peace in defiance of authority, leading to physical damage".</p> <p>Sasria will only consider a claim for loss or damage as a result of a labour disturbance if all four of the following elements are present:</p> <ul style="list-style-type: none"> • A disturbance of the public peace; • Which happens openly, or which is clear upon observing; • In disobedience of authority; and • Which leads to physical loss or damage.
Lockout	<p>According to section 213 of the Labour Relations Act (66 of 1995), a lockout means "the exclusion by an employer of employees from the employer's workplace, for the purpose of compelling the employees to accept a demand in respect of any matter of mutual interest between employer and employee, whether or not the employer breaches those employees' contracts of employment in the course of or for the purpose of that exclusion".</p> <p>This definition may be amended by South African law from time to time.</p>
Looting	<p>To steal goods, typically during a riot, strike or civil commotion. Looting must take place during an event that Sasria covers.</p> <p>Sasria does not cover theft.</p>
Policyholder	<p>The person(s) or juristic entity in whose name the policy is issued.</p> <p>A policyholder could be:</p> <ul style="list-style-type: none"> • A holding company and all its subsidiaries (as set out in the Companies Act, 61 of 1973); or • A subsidiary of the holding company; or • An entity other than a company; or • A person or persons.

Public disorder	A riot or other civil commotion that gives rise to a serious risk to public safety, whether at a single location or resulting from a series of incidents in the same or different locations.
Riot	<p>In terms of case law, riot means the tumultuous disturbance of public peace by an assembly of three or more persons acting together in the execution of some private objective.</p> <p>Sasria will only consider a claim for loss or damage as a result of a riot, if all four of the following elements are present:</p> <ul style="list-style-type: none"> • Three or more persons who have assembled with the same objective; • A tumultuous disturbance of the public peace; • Which leads to strife, violence or threats of violence; and • Physical loss or damage. <p>In terms of this definition, Sasria does not consider the violent acts of three or more people who have different objectives as a riot.</p>
Strike	<p>According to section 213 of the Labour Relations Act (66 of 1995), a strike means "the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee, and every reference to 'work' in this definition includes overtime work, whether it is voluntary or compulsory".</p> <p>This definition may be amended by South African law from time to time.</p>
Terrorism	<p>The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims.</p> <p>Please note that Sasria cover does not extend beyond the borders of South Africa. In other words, if terrorism happens outside the borders of South Africa, Sasria does not cover that. Furthermore, Sasria does not cover consequential loss emanating from any acts of terrorism.</p>
Total loss	A vehicle is a total loss if the cost to repair the damage to the vehicle exceeds 70% of the retail value of vehicle.

WHO do we cover?

The Motor policy covers the policyholder and any insured entity or person named in the schedule.

Vehicles categories

Sasria covers any vehicle of the categories listed below, including accessories and spare parts fitted onto the vehicle.

Motor category 1 (M1)

- Motor cars (business and private use only, not used for the conveyance of goods for trade purposes)

The term "motor cars" includes cars, SUVs, micro-buses, station wagons, safari vans, motorised caravans, minibuses, minivans and domestic trailers and caravans.

- Motor cycles (business and private use only, not used for the conveyance of goods for trade purposes)

Motorcycles, 3-wheeled vehicles, motorised wheel chairs, auto cycles, motor scooters, e-bikes, mechanically-assisted pedal cycles and unipeds.

- Light delivery vehicles (LDVs) (private use only)

The vehicle must be insured in the name of an individual and used solely for private purposes.

We cover a farmer's fleet of LDVs, provided that the vehicles are used for private purposes only, and each vehicle is listed on the schedule of the underlying motor policy.

The underlying policy must be endorsed as follows:

'It is warranted that the vehicle insured herein is used purely for private and domestic use and not used for the conveyance of goods for trade purposes.'

Motor category 2 (M2)

- Motor cars (used for the conveyance of goods for trade purposes)

The term "motor cars" include cars, LDVs, micro-buses, station wagons, safari vans, motorised caravans, minibuses, minivans, caravans and domestic trailers, where such vehicles are used for the conveyance of goods for trade purposes.

- Motor cycles (used for the conveyance of goods for trade purposes)

Motorcycles, 3-wheeled vehicles, motorised wheel chairs, auto cycles, motor scooters, e-bikes, mechanically-assisted pedal cycles and unipeds, where such vehicles are used for the conveyance of goods for trade purposes.

- Non-registered types

Non-registered vehicles may be insured under the Motor section. These vehicles are described as manually assisted vehicles, such as, but not limited to, lawnmowers, golf carts, forklifts, goods-carrying trolleys, tractors with or without lifting apparatus, road rollers, quad bikes, tractors used for maintenance of recreational grounds, sprayers (disinfectant, sanitary and tar), water carts, road graders, scarifiers, sweepers, tower wagons and compressors.

Motor category 3 (M3)

- Minibus

A motor vehicle designed or adapted for the conveyance of more than nine, but not more than 16 persons, including the driver.

- Midibus

A motor vehicle designed or adapted for the conveyance of more than 16, but not more than 35 persons, including the driver.

Motor category 4 (M4)

- Motor vehicles insured under an underlying Motor Trader policy and owned by, or in the custody or control of, a motor dealer, a panel beater, or the like.

Motor category 5 (M5)

- Buses

A bus means any vehicle designed or adapted for the conveyance of more than 35 persons, including the driver.

Motor category 6 (M6)

- Registered mobile plant

A vehicle designed to be used on a construction site and registered to be driven on a public road.

Motor category 7 (M7)

- Bus Rapid Transit system

A bus authorised to operate along a rapid transport lane in a bus rapid transport system, and which has a regulated floor height and door configuration designed to facilitate speedy access of passengers to and from dedicated boarding facilities.

Motor category 8 (M8)

A commercial vehicle with a gross vehicle mass of 3500kg and above, used for the conveyance of goods for trade purposes.

Relationship between vehicle and the policyholder

For Sasria to cover loss or damage to a vehicle, the vehicle must be:

- Owned by the policyholder or an insured entity or person; or
- Leased by the policyholder or an insured entity or person; or
- A replacement vehicle that the policyholder or an insured entity or person is using while their own vehicle is with a service provider for a service, repairs or an overhaul.

What we cover

Sasria will compensate you for the loss of, or damage to, a vehicle insured in the underlying policy, if that loss or damage is directly related to, or caused by:

1. Any riot, strike or public disorder or any act or activity which is calculated or directed to bring about a riot, strike or public disorder;
2. 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;
3. 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;

4. Any attempt to perform any act referred to in clauses 1, 2 and 3 above;
5. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clauses 1, 2, 3 or 4 above;
6. Looting committed as part of the acts described in 1, 2, 3, 4 or 5 above.

What we DON'T cover

Sasria does not compensate you for:

1. Any form of consequential or indirect loss or damage, depreciation of any nature, wear and tear, and any form of mechanical or electrical failure or breakdown;
2. Consequential loss or damage resulting from stopping work, totally or partially, or from delaying, interrupting or stopping any process or operation;
3. Loss or damage resulting from a lawful authority confiscating, commandeering or requisitioning insured property, permanently or temporarily, or any attempt to do so;
4. Loss or damage, in any way caused by, or contributed to, an act of terrorism that uses, or threatens to use, any nuclear weapon or device, or any chemical or biological agent;
5. Loss or damage, in any way caused by, or contributed to, war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, 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 a state of siege;
6. Any attempt to perform any act referred to in clauses 4 and 5 above;
7. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clause 4 and 5 above;
8. 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 South African territory to which this policy applies;
9. Loss or damage for which you are liable in terms of a contract, unless you would have been liable for the damage in the absence of the contract;
10. Loss or damage caused directly or indirectly by a nuclear event. A nuclear event is an incident or accident involving the release of radioactive material with negative health and environmental effects.

If we reject a claim by reason of exclusion 5 or 8, you will have to prove that the loss or damage was not related to exclusion 5 or 8.

Conditions

1. If an insured vehicle is a total loss, the policy will end from the date of such total loss and no refund of the premium will be payable to the policyholder.
2. If an insured vehicle is used to convey goods for trade purposes at the time of the loss or damage, and it is not insured in the correct Motor category, we will not be liable for such loss or damage to the vehicle.
3. You may cancel your Sasria Motor policy at any time, but no pro-rata refund of the premium will be payable if you were paying the minimum premium. See [INSERT LINK](#) to check if you were paying the minimum premium.
4. At the end of each period of insurance, you must declare all fleet vehicles insured under this policy so that Sasria can make a premium adjustment. You must give us the declaration within 45 days of the end of each period of insurance. We will refund you 50% of the premium or require you to pay the additional premium, as applicable.
5. You must provide your broker with a list of all vehicles insured under this policy as and when we request it.
6. If Sasria accepts liability for a claim under this policy, we extend cover to include damage to a third-party vehicle that is not insured with Sasria, but only if the incident took place while the third-party vehicle was driven on a public road.

Compensation

There is no excess payable if you claim under your Sasria Motor policy.

In the event of a total loss:

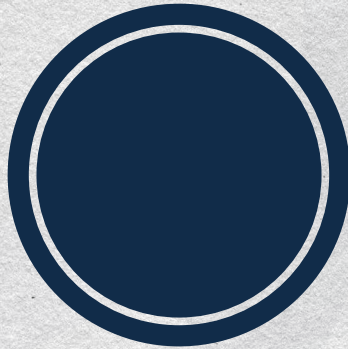
1. If an insured vehicle is less than 12 (twelve) months old, from the date of first registration, and the vehicle has travelled less than 2500km per month on average since the date of first registration, Sasria agrees to bear the costs of replacing the vehicle with a new vehicle of the same make and model (subject to the availability thereof). This applies only to vehicles not exceeding 3500kg gross vehicle mass.
2. For vehicles not meeting the condition in 1., the maximum compensation will be the lesser of the retail value (as reflected in the latest TransUnion Auto Dealer Digest) or the agreed value stated on the Sasria policy schedule.

Accessories or spare parts:

If any spare part or accessory required for the repair of a vehicle is no longer available in South Africa, we will pay you a sum equal to the value of the spare part or accessory at the time of the loss or damage. However, the compensation will not exceed the manufacturer's last listed price when the spare part or accessory was still available in the Republic of South Africa.

Towing and storage costs:

If the insured vehicle is involved in an incident that Sasria covers, you must arrange towing and storage with the underlying insurer's authorised service provider. If Sasria accepts liability for the claim, we will refund the underlying insurer. We will also pay the reasonable cost to deliver the vehicle to your address in South Africa after repairs.



ELECTRONIC EQUIPMENT



Sub-Section A - Material Damage

Defined Events

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

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

Exceptions to Sub-Section A

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

1. the first amount payable as stated in the schedule in respect of sub-section A, of each and every event giving rise to a claim. Where more than one item of property insured suffers physical loss or damage in any one event, the first amount payable shall be the highest single amount applicable to such property insured;
2. derangement unless accompanied by physical damage otherwise covered by this section;
3. loss or damage recoverable in terms of any maintenance and/or leasing agreement effected by or on behalf of the Insured covering the insured equipment;
4. faults or defects known to the Insured (or their responsible employees) at the time this insurance was arranged or during the currency of the insurance and not disclosed to the Company or any consequences thereof;
5. wastage of material or the like or wearing out of any part of the property insured caused by or naturally resulting from ordinary usage or working or other gradual deterioration, development of poor contacts or scratching of painted or polished surfaces of a cosmetic nature;
6. parts having a short life such as (but not limited to) bulbs, valves, contacts, X-ray tubes, cathode-ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. If such parts are damaged as a result of physical loss or damage as provided for by this sub-section to other parts of the property insured, the Company shall indemnify the Insured for the residual value prior to the loss of such exchangeable parts;
7. the cost of reproducing data and/or programs whether recorded on cards, tapes, discs or otherwise unless specifically provided for in sub-section B hereof;
8. loss of use of the property or other consequential loss, damage or liability of whatsoever nature other than losses specifically provided for herein;
9.
 - a. loss by theft or by disappearance of the property insured unless accompanied by forcible and violent entry into or exit (or any attempt thereat) from that part of the building occupied by the Insured at the insured premises described in the schedule or as a result of theft or any attempt thereat, following violence or threat of violence;
 - b. loss of the property insured by theft during transit or whilst temporarily removed from the insured premises unless identifiable by the Insured with a specific incident which has been immediately reported to the police and the Company.
10. theft of the property insured from any motor vehicle where the property insured has been:
 - a. left in the motor vehicle overnight unless the vehicle is housed in a securely locked building and entry to such vehicle or building is accompanied by forcible and violent entry or exit;
 - b. contained in a compartment of the motor vehicle and is visible to passers-by provided that (a) and (b) above shall not apply to theft of the property insured where the transport vehicle:
 - i. has been hijacked; or
 - ii. has been involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected.

Basis of Indemnity

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

1. Partial loss

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

- a. the value of damaged parts which can be used will be deducted;
- b. the costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this sub-section;
- c. if, without the consent of the Company, temporary repairs are carried out by the Insured in the interests of safety or to 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;
- d. where the damage is restricted to a part or parts of an insured item, the Company shall not be liable for an amount greater than the value of such part or parts which are lost or damaged allowed for within the sum insured.

2. Total loss

- A. In cases where the new property insured is totally lost or destroyed, the basis of indemnity shall be the cost of replacing or reinstating on the same site new property of equal performance and/ or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or damaged provided always that:
 - i. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the Insured, subject to the liability of the Company not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the market value of the property insured immediately before the damage shall be made;
 - ii. until expenditure has been incurred by the Insured in replacing or reinstating the property insured, the Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein;
 - iii. these conditions shall be without force or effect if:
 - a. the Insured fail to intimate to the Company within six (6) months of the date upon which the damage occurred (or such further time as the Company may in writing allow) their intention to replace or reinstate the property insured;
 - b. the Insured are unable or unwilling to replace or reinstate the property insured on the same or another site;
 - iv. at the sole option of the Company, following commercial and technical appraisal by a representative of the Company, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of the period being admitted by memorandum to this section.

Definition of new property insured

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

- B. In respect of property insured not provided for in (2)(A)(Total loss) above, the basis of indemnity shall be:
the market value of the property insured immediately before the loss or damage. At the option of the Company, the property insured shall be regarded as totally destroyed if the repair costs as defined in (1) (Partial loss) above equal or exceed its market value immediately before the damage.

Definition of market value

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

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

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

Average

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

Limit of liability

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

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

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

b. **Clearance costs**

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

c. **Express delivery and overtime**

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

Clauses And Extensions

1. Power surge or lightning strikes

All loss or damage to the property insured by power surges or lightning strikes will be subject to an additional first amount payable as stated in the schedule. However, should the property insured be appropriately and adequately protected by suitable safeguards against electrical supply fluctuations, then this additional first amount payable will be waived.

2. Fire brigade charges

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

3. Tenants

This insurance will not be invalidated by any act or neglect on the part of a tenant of the Insured (where the Insured owns the building) or another tenant or the owner of the building (where the Insured is a tenant) provided that the Insured notifies the Company as soon as such act or neglect comes to their knowledge and pay on demand the appropriate additional premium.

4. Hire purchase/finance agreements

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

Sub-Section B – Consequential Loss (if stated in the schedule to be included)

Defined Events

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

1. Increased cost of working

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by the Insured during the indemnity period in consequence of the accident for the sole purpose of avoiding or diminishing the interruption of or interference with the normal business of the Insured less any sum saved during the indemnity period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of the accident.

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

- a. the cover provided for in item (2) of this sub-section;
- b. the intrinsic value (including reinstatement value) of the property insured by sub-section A of this section.

2. Reinstatement of data/programs

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

- a. the indemnity shall not extend to nor include such costs incurred due to program errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programs;
- b. in respect of each and every event or series of events arising out of or in connection with one original cause or source indemnifiable by this item, the Insured shall bear the amount stated in the schedule as the first amount payable;
- c. where the Insured elects to insure programs (software), a schedule of such programs shall be lodged with the Company at the commencement of each period of insurance.

Definitions

Indemnity period

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

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

Accident

1. (Applicable to Increased Cost of Working only) Physical loss of or damage to the property insured described in the schedule from any cause as provided for under sub-section A of this section, liability under which sub-section shall, except for the provisions relating to the first amount payable or the maintenance/lease agreements, be a condition precedent to liability hereunder.
2. Failure of the public supply of electricity at the terminal ends of the service feeders in the premises from any accidental cause other than:
 - a. the deliberate act of the Insured or any supply authority;
 - b. drought or shortage of fuel at any electricity utility.

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

- i. The liability of the Company shall not exceed the sum insured by this sub-section;
- ii. The indemnity period shall commence 12 hours after the failure and end not later than 30 days after such failure.

The limit of liability

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

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

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

Specific Exceptions to Sub-Section B

Unless specifically provided for:

1. Fines and penalties

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

2. Loss of profit

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

Clauses And Extensions

1. Reinstatement

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

- a. the Insured being unable or unwilling to replace or reinstate property destroyed or damaged, or failing to carry out such replacement or reinstatement within a reasonable time, or
- b. addition, alteration or improvements being effected to the property insured on the occasion of its repair, the Company's liability under this section shall be related solely to the business interruption which would have arisen in the absence of (a) and (b).

2. Interruption of Telecommunications services (if stated in the schedule to be included)

Subject to the limits specified in the schedule, consequential loss as provided for under defined events (1) and (2) of sub-section B arising from accidental damage of the Telkom access lines is included, provided always that the insurance under this extension shall be subject to the special conditions below.

Special conditions applicable to Telecommunications services:

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

General Memoranda

Memo 1 – Capital additions and currency fluctuations

The indemnity by this section shall include:

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

Provided that the increase shall not exceed, by more than 25%, the total sum insured for sub-section A specified in the schedule, it being agreed that the Insured will advise the Company of such alterations after the expiry of twelve consecutive months from inception date or anniversary date and pay the appropriate premium thereon but not exceeding 50% of the difference.

Memo 2 – Prevention of access

If, during the indemnity period, the business at the premises be interrupted or interfered with in consequence of the Insured being prevented from having access to the property insured situated at the premises caused by damage to property within a 15 km radius of the insured premises as described in the schedule by fire, lightning, explosion, storm, tempest, flood, water inundation, earthquake or impact by vehicles, the Company shall indemnify the Insured for loss resulting from such interruption or interference in accordance with the provisions contained herein.

Provided that:

- a. the Insured is not entitled to indemnity as provided for in this extension under any other policy or section of this policy;
- b. this section shall not be brought into contribution with any other policy or section of this policy bearing a like extension.

Special Exception (Sub-Sections A & B)

Viruses, Trojans and worms

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

General Extension (Sub-Sections A & B)

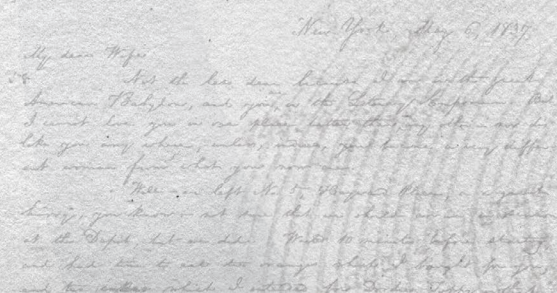
Incompatibility cover (if stated in the schedule to be included)

Notwithstanding anything contained to the contrary in the policy, the indemnity by sub-sections A and B of this section shall indemnify the Insured for costs incurred in respect of:

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

provided always that:

- a. the costs provided for in (1), (2) and (3) above shall be necessarily and reasonably incurred to maintain normal working conditions;
- b. such additional costs shall be incurred as a direct consequence of indemnifiable loss or damage in terms of sub-sections A or B (item 2) of this section;
- c. the cover afforded hereunder shall be restricted to:
 - i. parts or components of the electronic system which are not indemnifiable under sub-section A hereof;
 - ii. programs or data reinstated not indemnifiable under item (2) of sub-section B hereof;
- d. the indemnity by this extension shall, in respect of any one event, be limited in the aggregate to the amount stated in the schedule of the applicable total sum insured under sub-section A (The limit of indemnity) and sub-section B (item 2).



Defined Events

Sudden and unforeseen physical damage to machinery described in the schedule from any cause not hereinafter excluded whilst

1. at work or at rest at the insureds premises;
2. being dismantled for the purpose of cleaning, inspection and overhaul or removal to another position or in the course of these operations themselves or subsequent re-erection within the insured's premises.

Basis of Indemnity

1. Partial loss

Where the damage to the insured machinery can be repaired the Company will pay the necessary and reasonable costs to restore the damaged machinery to its former state of serviceability plus the cost of dismantling and re-erection incurred for the purpose of effecting the repairs as well as ordinary freight to and from a repairer shop and customs duties, if any, to the extent that such expenses have been included in the sum insured

Provided that,

- a. the cost of any alterations, additions, improvements or overhauls carried out at the time of repair shall not be recoverable;
- b. the cost of any provisional repairs shall be borne by the Company if such repairs constitute part of the final repairs and do not increase the total cost of repairs.

2. Total loss

- a. If machinery not exceeding 3 years from date of manufacture is totally destroyed the basis of calculating the amount payable shall be the cost of replacing or reinstating the machinery with machinery of the same kind or type but not superior to or more extensive than the insured machinery when new including freight, erection costs and customs duties, if any, to the extent that such expenses have been included in the sum insured and the cost of removing the destroyed machinery less the value of the salvage;
- b. If machinery exceeding 3 years from date of manufacture is totally destroyed the basis of calculating the amount payable shall be the cost of replacement at market value including freight, erection costs and customs duties, if any, to the extent that such expenses have been included in the sum insured and the cost of removing the destroyed machinery less the value of the salvage.

The insured machinery shall be regarded as totally destroyed if the repair costs (as set out in 1. Partial loss above) equal or exceed the market value of the machinery insured. This applies separately to each item specified in the schedule.

Provided that (applicable to items 1. Partial loss and 2. Total loss),

1. the amount payable by the Company, shall not exceed the sum insured in the machinery breakdown schedule. This proviso applies separately to each item specified in the machinery breakdown schedule;
2. the Company may at its option repair, reinstate or replace damaged machinery or pay the amount of damage in cash;
3. the Company shall make payments only after being satisfied by production of the necessary bills and documents that the repairs have been effected or replacement has taken place, as the case may be.

Definitions

For the purposes of this section the following expressions mean:

Machinery – the machinery described in the schedule of this section under the heading “Description”.

Premises – the “situation details” of which is stated in the schedule of this section.

Market value shall mean the current purchase price of a second hand/used machine identical in every respect to the machine

damaged and substantially of similar condition. Where no similar machine is available, market value shall be calculated from the current new replacement value of the machine less a reasonable amount for use based on an appropriate depreciation scale.

Specific Exceptions

1. Irrespective of the original cause the Company will not be liable for

- a. Excess
the amount specified in the schedule as the excess for each and every occurrence.
- b. damage due to
 - i. Fire, lightning explosion;
Fire, extinguishing of a fire, direct lightning strikes, explosion.
 - ii. Theft ,collapse and impact;
Theft, collapse of buildings, impact by animals, vehicles, aircraft or other aerial devices or objects dropped therefrom or sonic shock waves.
 - iii. Leakage, water, earthquake and natural catastrophe;
leakage or discharge from any sprinkler or drencher system, water, storm, flood, hail, earthquake, volcanic eruption or convulsion or any natural catastrophe.
 - iv. Subsidence, landslide.
- c. Experiments
damage resulting from experiments overloads or tests requiring the imposition of abnormal conditions.
- d. Tools
damage due to the misapplication of tools.
- e. Wastage, gradual deterioration
wastage of material or the like or wearing away or wearing out of any part of the machinery caused by or naturally resulting from ordinary usage or working or any other gradual deterioration, erosion, corrosion
- f. Expendable parts and tools
expendable parts and tools such as (but not limited to) bits, cutters, knives, saw blades, dies, pattern rollers, sieves, chains, belts, ropes, conveyor bands, jointing and packing material. If these parts or tools are damaged as a result of an accident to other parts of the machinery insured as provided for by this insurance the Company shall indemnify the insured for the residual value of such parts or tools.
- g. Damaged parts
the value of damaged parts which can be used in any way whatsoever.
- h. Alterations additions
costs of alterations, additions, improvements and overhauls carried out on the occasion of a repair.

2. Foundations, refractories or masonry

the machinery described in the schedule does not include any foundations, refractories or masonry unless specifically stated in the schedule

4. Partial damage

where damage is restricted to a part or parts of an insured item the Company will not be liable to pay a greater amount than the value of the part or parts allowed for in the sum insured plus dismantling, re-erection and freight expenses.

5. Consequential loss

consequential loss or liability of any kind or description.

6. Suppliers, contractors, repairers

loss or damage for which a supplier, contractor or repairer is responsible either by law or under contract

7. Faults or defects

loss or damage caused by any faults or defects within the knowledge of the insured or representative existing at the time of commencement of this section, whether such faults or defects were known to the Company or not.

Specific Conditions

1. Alterations to working conditions

The insured shall notify the Company of any intended alteration to or departure from normal working conditions which would affect the risk of damage to the machinery specified in the schedule. If the Company cannot approve the alteration or departure from normal working conditions the Company may cancel the insurance in respect of the machinery concerned and refund the appropriate premium.

2. Access

The insured shall allow the authorised representatives of the Company to examine the insured machinery at any reasonable time. If during the inspection any new facts of a nature likely to render the risk more than usually hazardous are observed the insured must at the request of the Company restore the risk to normal within a reasonable time failing which the Company may suspend cover in whole or in part until the risk is restored to normal.

3. Claims

On the happening of an event giving rise or likely to give rise to a claim the insured:

- a. shall exercise all means in their power to salvage the insured items and ensure their preservation;
- b. may proceed with the repair of the machinery provided that:
 - i. the insured complies with 3(a) above;
 - ii. the carrying out of the repair is without prejudice to any question of liability;
 - iii. any damaged part requiring replacement is kept for inspection by the Company.

The liability of the Company under this section in respect of the insured machinery shall cease if such insured machinery is kept in operation after damage without being repaired to the satisfaction of the Company.

4. Sum insured and average

It is a requirement of this section that the sum insured;

- a. in respect of machinery not exceeding 3 years from date of manufacture is equal to the cost of replacement of the machinery by new machinery of the same kind and capacity, which means its cost of replacement including freight and customs duties, and the cost of erection;
- b. in respect of machinery exceeding 3 years from date of manufacture is equal to the market value cost of the machinery including freight and customs duties and the cost of erection.

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

5. Manufacturers / agents operational guide

The insured shall fully observe the manufacturer's/agent's instructions for the operation, inspection and maintenance of the insured machinery and fully observe government regulations, statutory regulations, municipal regulations and all other binding regulations in force concerning the operation and maintenance of the insured machinery.

Clause and extensions

1. Capital Additions Clause

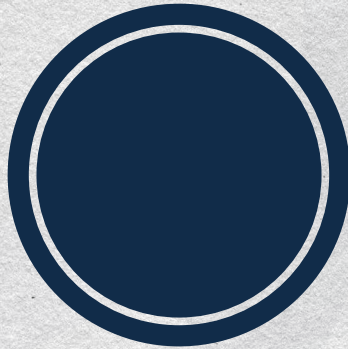
The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the insured machinery not exceeding 20% of the sum insured thereon, it being understood that the Insured undertake to advise the Company each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

2. Overtime, night work, work on public holidays and express freight

The insurance under this section covers extra charges for overtime, night work, work on public holidays and express freight (excluding airfreight).

Provided that;

- a. such extra charges are incurred in connection with damage to the insured machinery recoverable under this section;
- b. the amount payable in respect of this extensions shall not exceed the sum insured set opposite the applicable item and not exceeding in all the total sum insured stated in the schedule of this section.



MACHINERY BREAKDOWN BUSINESS INTERRUPTION



Defined Events

Accident to machinery specified in the machinery breakdown section of this policy and used by the insured at the premises for the purpose of the business resulting in interruption or interference with the business provided that payment shall have been made or liability admitted for Accident under the machinery breakdown insurance except in so far as a proviso may operate to exclude losses below a specified amount.

Special exclusion – additions, alterations, improvements

The Company will not be liable for loss resulting from interruption or interference with the business due to additions alterations or improvements being effected to the damaged item on the occasion of its repair.

Definations

1. "Accident"

Unforeseen and sudden physical damage to the machinery described in the machinery breakdown section from any cause as provided therein.

2. "Gross profit" (difference basis) - insured under item 1 of the schedule

The amount by which the sum of the turnover and closing stock exceeds the sum of the opening stock and the uninsured working expenses as specified in the schedule.

3. "Gross profit" (specified standing charges basis)- insured under item 2 of schedule

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

4. "Gross profit" (all standing charges basis)- insured under item 3 of schedule

The sum produced by adding to the net profit the amount of all the standing charges of the business or if there is no net profit, the amount of all the standing charges less the amount of any net trading loss. For the purpose of this insurance depreciation of buildings, plant, machinery (other than machinery damaged in the Accident) fixtures and fittings shall inter alia be deemed to be standing charges.

5. "Net profit"

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

6. "Revenue"

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

7. "Indemnity period"

The period during which the results of the business are affected in consequence of the Accident beginning the number of hours/days stated in the schedule after the occurrence of the Accident and ending not later than the expiry of the period shown in the schedule after the occurrence.

8. "Turnover"

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

9. "Rate of gross profit"

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

10. "Rate of wages"

The rate of wages to turnover during the financial year immediately before the date of the Accident.

11. "Annual turnover"

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

12. "Standard turnover"

The turnover during the period corresponding with the indemnity period in the twelve months immediately before the date of the Accident.

13. "Annual revenue"

The revenue during the twelve months immediately before the date of the Accident.

14. "Standard revenue"

The revenue during the period corresponding with the indemnity period in the twelve months immediately before the date of the Accident.

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

15. "Shortage in turnover"

The amount by which the turnover during the specified portion of the indemnity period shall in consequence of the Accident fall short of that part of the standard turnover which relates thereto.

16. "The premises"

All premises owned used or occupied by the insured for the purposes of the business.

Special conditions

1. Action in event of an Accident

When an Accident occurs in consequence of which a claim may be made under this insurance the insured – in addition to complying with the general conditions shall with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss and if a claim is made under this insurance will not later than thirty days after the expiry of the indemnity period or within such further time as the Company will allow at their own expense deliver to the Company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting therefrom. No claim under this insurance will be payable unless this specific condition has been complied with and in the event of non-compliance therewith in any respect any payment an account of the claim already made will be repaid to the Company forthwith

2. Standby machinery

Any item of machinery insured by this policy against which the word "Standby" appears in the machinery breakdown section shall be maintained as standby available for immediate use in the event of the failure of the machinery to which it is standby. Should the standby position change, the insured shall give notice as soon as possible to the Company and pay the applicable additional premium, calculated from the date that the item of machinery ceased to be standby.

Basis of loss settlement

1. Gross profit (difference basis)

The insurance under item 1 of the schedule is limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable thereunder will be:

a. for reduction in turnover

the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the Accident fall short of the standard turnover;

b. for increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the Accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided;

less any sum saved during the indemnity period for such charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the Accident provided that if the sum insured by this item is less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 months) the amount payable will be proportionately reduced.

2. Gross profit (specified standing charges basis)

The insurance under item 2 of the schedule is limited to loss of gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity thereunder will be:

a. for reduction in turnover

the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the Accident fall short of the standard turnover;

b. for increase in cost of working

the additional expenditure (subject to proviso 2(d)) necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for the expenditure would have taken place during the indemnity period in consequence of the Accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided;

less any sum saved during the indemnity period for such of the insured standing charges as may cease or be reduced in consequence of the Accident provided that:

- i. if the sum insured by this item is less than the sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 months) the amount payable will be proportionately reduced;
- ii. if any standing charges of the business are not insured, only such proportion of the additional expenditure as the sum of the net profit and the insured standing charges bears to the sum of the net profit and all standing charges shall be brought into account when calculating the amount recoverable hereunder.

3. Gross profit (all standing charges basis)

The insurance under item 3 of the schedule limited to the gross profit due to reduction in turnover and increase in cost of working and the amount payable as indemnity thereunder shall be:

a. for reduction in turnover

the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the Accident fall short of the standard turnover;

b. for increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the Accident but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided;

less any sum saved during the indemnity period in respect of any standing or other charges which may cease or be reduced in consequence of the Accident provided that if the sum insured by this item be less than the

sum produced by applying the rate of gross profit to the annual turnover (proportionately increased where the indemnity period exceeds 12 months) the amount payable will be proportionately reduced.

4. Revenue

The insurance under item 4 of the schedule is limited to loss due to reduction in revenue and increase in cost of working and the amount payable as indemnity hereunder will be:

a. for reduction in revenue

the amount by which the revenue during the indemnity period shall in consequence of the Accident fall short of the standard revenue;

b. for increase in cost of working

the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in revenue which but for that expenditure would have taken place during the indemnity period in consequence of the Accident but not exceeding the amount of the reduction thereby avoided;

less any sum saved during the indemnity period for such charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the Accident provided that if the sum insured by this item is less than the annual revenue (proportionately increased where the indemnity period exceeds 12 months) the amount payable will be proportionately reduced.

5. Wages (number of weeks basis)

The insurance by item 5 of schedule is limited to the loss incurred by the insured by the payment of wages for a period beginning with the number of weeks/days stated in the schedule after the occurrence of the Accident and ending not later thereafter than the number of weeks specified in the schedule. The amount payable as indemnity under this item will be the actual amount which the insured shall pay as wages for such period to employees whose services cannot in consequence of the Accident be utilised by the insured at all and an equitable part of the wages paid for such period to employees whose services cannot in consequence of the Accident be utilised by the insured to the full provided that if the sum insured by this item is less than the aggregate amount of wages that would have been paid during the specified number of weeks immediately following the Accident had the Accident not occurred the amount payable will be proportionately reduced .

6. Additional expenditure (If stated in the schedule to be included)

The insurance under this item is limited to additional expenditure (in excess of that recoverable under other items) necessarily and reasonably incurred by the insured in consequence of the Accident in order to minimize interruption of or interference with the business during the indemnity period.

The Company's limit of liability shall not exceed the amount stated in the schedule for any one event

Memo

Other premises

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

Clauses and extensions

1. Accountant/auditor

Any particulars or details contained in the insured's books of account or other business books or documents which may be required by the Company for the purpose of investigating or verifying any claims under this insurance may be produced and certified by the insured's own accountants and/or auditors and their certificate will be prima facie evidence of the particulars and details to which such certificate relates.

2. Accumulation of stocks

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

3. Department/branches

If the business is conducted in departments/branches the independent trading results of which are ascertainable the provisions of paragraphs 1(a), 1(b), 2(a), 2(b), 3(a), 3(b), 4(a), 4(b), 5(a) and 5(b) will apply separately to each department/branch whose results are affected by the Accident provided that if the respective sums insured are less than the aggregate of the sums produced by applying the rate of gross profit revenue or the rate of wages (as the case may be) for each department/branch of the business (whether its results are affected by the Accident or not) to the relative

annual turnover thereof (proportionately increased where the indemnity period exceeds 12 months), the amount payable will be proportionately reduced.

4. Alternative basis of loss settlement

The term "output" may be substituted for the term "turnover" and for the purpose of this insurance "output" shall mean "the sale value of goods manufactured by the insured in the course of the business at the premises" provided that:

- i. only one such meaning shall be operative in connection with any Accident;
- ii. if the meaning set out above be adopted:
 - a. clause 2. "Accumulation of stocks" shall be of no effect;
 - b. the memo above "Other premises" shall read as follows "if during the indemnity period goods shall be manufactured or services rendered elsewhere than at the premises for the benefit of the business either by the insured or by others on their behalf the sale value of goods so manufactured or services rendered shall be brought into account in arriving at the output during the indemnity period".

5. New business clause

For the purpose of assessing any loss sustained as the result of an Accident occurring before the completion of the first year's trading, the terms "rate of gross profit", "rate of wages", "annual turnover", "standard turnover", "annual revenue" and "standard revenue" shall bear the following meanings:

- i. **Rate of gross profit**
The rate of gross profit earned on the turnover during the three months immediately before the date of the Accident.
- ii. **Rate of wages**
The rate of wages to turnover during the three months immediately before the date of the Accident.
- iii. **Annual turnover**
Twelve times the average monthly turnover for the three months immediately before the date of the Accident.
- iv. **Standard turnover**
The turnover which would have been achieved during the indemnity period if the average turnover during the three months immediately before the date of the Accident had been maintained.
- v. **Annual revenue**
The average revenue earned during the three months immediately before the date of the Accident.
- vi. **Standard revenue**
The revenue which would have been earned during the indemnity period if the average revenue during the three months immediately before the date of the Accident had been maintained.

6. Payments on account

Payments on account of insured losses may be made if desired.

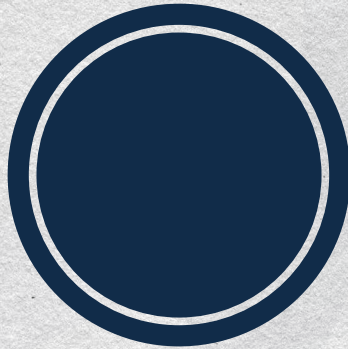
7. Deposit premium (if stated in the schedule to be included)

In consideration of the premium for items 1, 2, 3, 4 and/or 5 of the schedule being provisional because they are calculated on 75% of the sum(s) insured thereby, the premium is subject to adjustment on expiry of each period of insurance as follows:

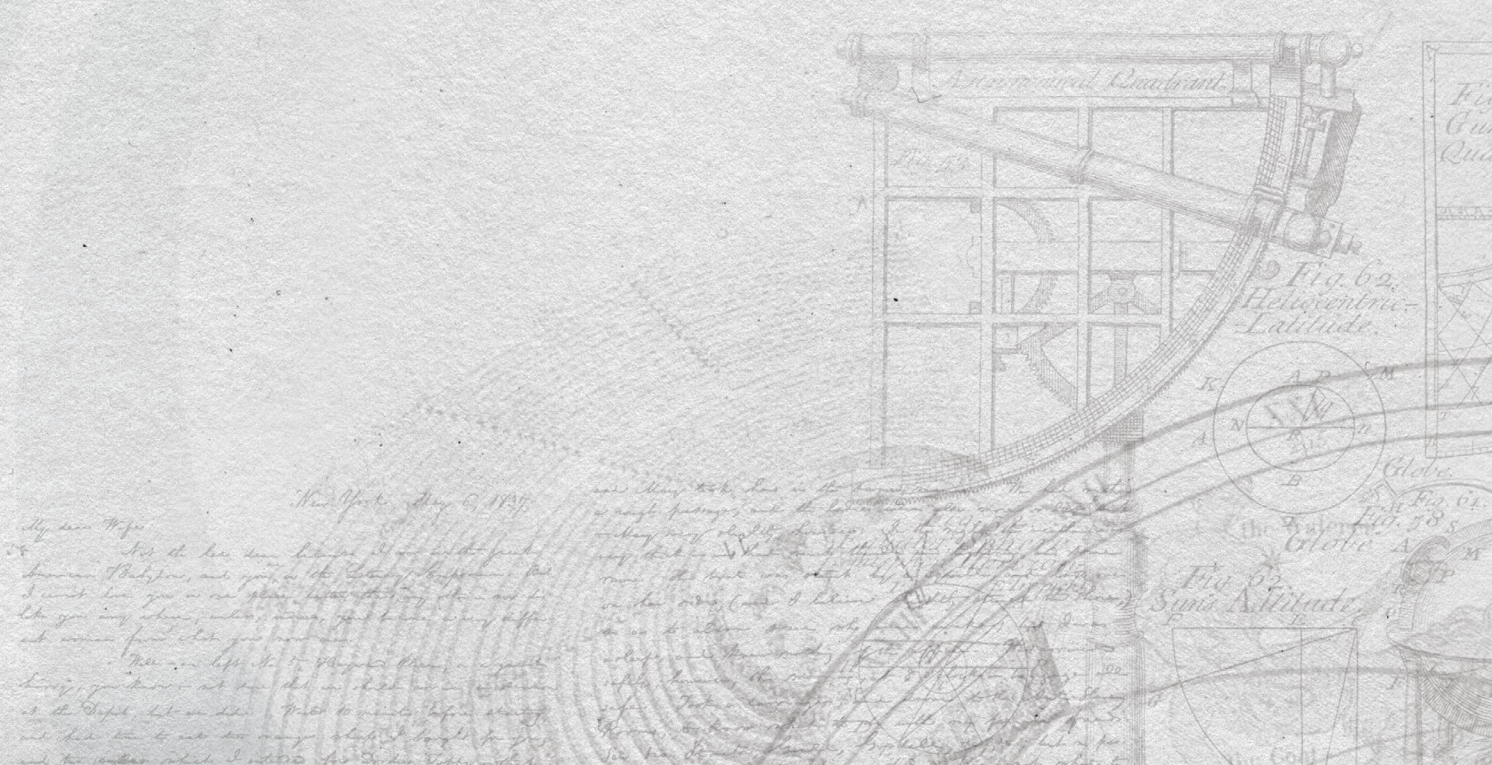
if the gross profit or revenue earned or wages paid (proportionately increased if the indemnity period exceeds 12 months) during the financial year most nearly concurrent with any period of insurance is less or greater than 75% of the sum insured thereon, a pro rata return or additional premium not exceeding $33\frac{1}{3}$ percent of the provisional premium paid for such period of insurance will be made for the difference.

8. Premium rebate (if stated in the schedule to be included)

- i. If the gross profit and/or revenue earned and/or wages paid as insured by 1 2 3 4 and/or 5 of the schedule (all proportionately increased if the indemnity period exceeds 12 months) during the financial year most nearly concurrent with any period of insurance is less than the respective sums insured thereon a pro rata return of premium not exceeding 50% of the premium paid on such sums insured for such period of insurance will be made for the difference provided that if any claim shall have arisen under these items such return will be made in respect only of so much of the difference as is not due to such claim.
- ii. If the specified number of 52nd parts of the wages paid as insured by item 6 of the schedule during the financial year most nearly concurrent with any period of insurance is less than the sum insured thereon a pro rata return of premium not exceeding 50% of the premium paid on such sum insured for such period of insurance will be made for the difference provided that if any claim shall have arisen under this item no return of premium will be made.



DETERIORATION OF STOCK FOLLOWING MACHINERY BREAKDOWN



Defined Events

Loss of or damage to the insured property specified in the schedule caused by deterioration due to unforeseen physical loss of or damage to the machinery specified in the machinery breakdown section of this policy and indemnifiable under the machinery breakdown section in force.

Provided that the liability of the Company during any one period of 12 consecutive months from inception date or anniversary date shall not exceed the limit of indemnity stated in the schedule in respect of each item specified.

Specific Exceptions

The Company shall not be liable for:

1. loss arising within the no-claim period stated in the schedule of goods stored in the refrigeration chambers due to deviation from the prescribed refrigeration temperature, unless deterioration is caused by contamination as a result of leakage of refrigerant or by accidental freezing of goods or unless fresh goods that have not yet reached the prescribed refrigeration temperature are affected thereby;
no-claim period is defined as the time period immediately following cessation of cooling during which, with the storage room left sealed, no deterioration would take place;
2. loss to the goods stored arising as a result of shrinkage, inherent defects or diseases, natural deterioration natural putrefaction;
3. loss arising from improper storage, damage to packing material, insufficient circulation of air, non-uniformity of temperature;
4. loss caused by temporary repair carried out without the Company's consent of the refrigeration machinery specified in the insured's list of machinery;
5. penalties for delay, consequential loss or damage or liability of any nature whatsoever;
6. loss or damage directly or indirectly caused by, or arising out of, or aggravated by:
 - a. the wilful act or wilful negligence of the insured or his representatives;
 - b. fire, lightning, chemical explosion, extinguishing of a fire or subsequent demolition, aircraft or other aerial devices or articles dropped therefrom, theft or attempts thereat, collapse of buildings, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or other natural catastrophes.

Specific Conditions

This section shall apply only if:

1. the refrigeration machinery is insured under the in force machinery breakdown section of this policy;
2. the insured refrigeration machinery is connected to an automatic alarm system in an attended location;
3. the stock is not stored in "controlled atmosphere" chambers;
4. at the time of the loss or damage the goods are stored in the refrigeration chambers;
5. the insured maintains on a daily basis a stock book in which the type, quantity and value of the goods stored and the beginning and the end of the storage period are entered separately for each refrigeration chamber;
6. the sum insured is equal to the estimated maximum selling price obtainable for the stored goods during the period of this section. The insured shall be obliged to furnish the Company not later than 10 days after the close of each month either with copies of the aforesaid stock books or with a duly completed declaration showing the average quantity and value per day of the goods stored during the preceding month (monthly declaration).

The monthly declaration shall be based on the selling price obtainable for the goods.

Stock book copies and monthly declarations shall be regarded as forming an integral part of this policy.

The sum insured shall be reduced by any indemnity paid under this section for the remaining policy period unless it has been reinstated by payment of a pro rata additional premium, from the date of the insured loss or damage for the remaining portion of the (annual) period of insurance;

7. all claims shall be settled on the basis of the value stated in the monthly declaration immediately prior to the occurrence of the loss or the selling price that would have been obtainable, whichever is the lesser. When determining the indemnity the Company shall take into consideration all circumstances that may influence the amount of indemnity, such as proceeds from a sale of goods as well as storage costs saved due to the termination of the storage.

If after the occurrence of a partial loss it is found that the last monthly declaration preceding the loss is less than the amount that ought to have been declared, then the amount which would have been recoverable by the insured shall be reduced in such proportion as the amount of the said last monthly declaration bears to the amount that ought to have been declared.

Optional Conditions

Constant supervision (if stated in the schedule to be included)

The insured refrigeration machinery is under constant supervision by qualified personnel.

Temperature readings (if stated in the schedule to be included)

During the entire period of storage, the insured records in a logbook the condition of the insured goods and at least three temperature readings per day from each refrigeration chamber, the accuracy of the temperature readings being verified by means of a calibrated, independent reference thermometer at least every 14 days.

Dear customer...

Sasria provides short-term insurance cover against special risks that the broader insurance industry does not cover. Examples of these special risks are civil commotion, strike, riot, public disorder and terrorism.

This document is the legal and official version of your Sasria policy wording. The laws of South Africa govern this policy.

Your contract with Sasria comprises:

- the policy wording (this document);
- the Sasria policy schedule;
- any information that you, or someone acting on your behalf, supply to us; and
- any amendment to the policy.

Please read the wording carefully to make sure that you understand what your policy covers. You must always read the wording together with the Sasria schedule.

We look forward to being of service to you.

How to reach us

011 214 0800 or 086 172 7742 | contactus@sasria.co.za | www.sasria.co.za

General terms and conditions

How you should read this document

"We", "our" or "us" in the wording refers to Sasria SOC Ltd. "You" or "your" in the wording refers to the policyholder.

Words in the singular include the plural. Words in the masculine gender (he) include the feminine gender (she).

Your Sasria policy and the underlying policy

You must have an underlying policy in force

To be insured against the special risks mentioned above, you must have an underlying policy contract in force that includes Sasria cover at the time of the event that gives rise to a loss. If you choose to only take out Sasria cover, there must be a pro forma underlying policy as a formality. The pro forma policy can be issued by any underlying insurer. The underlying insurer must give you Sasria cover regardless of your risk profile.

Sasria policies attach to the underlying policy or they are stand-alone:

- **Attached policies** incorporate the terms, conditions and warranties of the underlying policy with some exceptions (see the next subsection).
- **Stand-alone policies** have their own terms and conditions that are listed in the relevant policy wording.

Policies that attach to the underlying policy	Stand-alone policies
Material Damage (Fire) Contract Works	Motor Business Interruption (Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit, Project Delay)

Policies that attach to the underlying policy

For these policies, the terms, conditions, exclusions and warranties of the underlying policy also apply to the Sasria policy **except for those listed below**:

Standard S.A.I.A. Exceptions

The general exclusions of underlying policies typically include the Standard S.A.I.A. Exceptions. Your Sasria policy covers some of the S.A.I.A. Exceptions, but not all of them.

Your Sasria policy covers **civil commotion, riot, strike, lockout, public disorder, rebellion and revolution and terrorism** (S.A.I.A. Exceptions A(i), A(iii)(b), A(iv), A(v), A(vi) and A(vii) to the extent that A(vii) refers to A(i), A(iii)(b), A(iv), A(v) and A(vi) and C).

Your Sasria policy does not cover **war and war-related activities** (S.A.I.A. Exceptions A(ii), A(iii)(a) and A(vii) to the extent that A(vii) refers to A(ii) and A(iii)(a) and B).

In each policy, see **What we cover** and **What we don't cover** for the details.

If the numbering in your underlying policy does not correspond with the numbering of the Standard S.A.I.A. Exceptions, you must refer to the corresponding contents.

Extensions

Sasria special risk cover only applies to the basic cover of the underlying policy. It does not apply to any additional perils and extensions included in the underlying policy, whether optional or not. Sasria covers its own list of extensions at an additional premium. You will find the list of extensions at [Construction & Plant Risks Section](#). Contact us if you want Sasria cover for any of these extensions.

Excess

For Material Damage (Fire), there is no excess payable if you claim under your Sasria policy.

For Contract Works, the following excess is payable:

For loss or damage to contract works and materials, the excess or first amount payable is calculated as 0,1% of the value of the specific contract for which a claim is made.

The following minimum and maximum amounts apply:

Minimum excess (first amount payable)

- R250 (Domestic risks)
- R2 500 (All other risks)

Maximum excess (first amount payable)

- R25 000

For loss or damage to a construction plant, the excess is R1 000 for each loss or damage arising from any one insured event.

Premium

Any adjustment of the premium clause or condition in the underlying policy will not automatically apply to your Sasria policy.

Period of insurance

The period of insurance of your Sasria policy is the same as the period of insurance of the underlying policy.

Sasria and the underlying insurer must sign your schedule

For your Sasria contract to be valid, the Sasria schedule must bear the signatures of a director of Sasria and the underlying insurer.

Cancellation

Only you have the option to cancel Sasria cover; Sasria will never cancel your cover.

If an underlying policy is cancelled, it does not automatically result in cancellation of your Sasria cover. The underlying insurer must give you the option to keep your Sasria cover except if the cancellation was due to non-payment. If you choose to keep your Sasria cover, the underlying insurer will issue a pro forma policy to which your Sasria policy will attach.

Our rights

To review rates and premiums

We reserve the right to review the terms and conditions of a policy, including rates and premiums, in line with all applicable laws (e.g. the Policyholder Protection Rules). Where necessary, some or all classes of business rates and premiums may be reviewed with reference to trends, expectations and assumptions, including but not limited to the following:

- a) Documented trend of poor performance on class or classes of business over the last three (3- to five (5) years;
- b) Reasonably balancing the interests of Sasria SOC Ltd and its policyholders' expectations; and
- c) The extent to which the assumptions on which the premium was based have been met.

In accordance with the law, we will duly notify the policyholder in writing, through our distribution channels, of the details of the pending review; the effective date of the review; the reasons for the review; the implication of the review; the policyholder's rights and obligations regarding the review,

including any cooling-off rights offered and procedures applicable for the exercise thereof; and any other relevant details.

Each policyholder will be given a reasonable notice period to make an informed decision as to whether the policy continues to meet the policyholder's requirements as a result of the reviewed terms and conditions.

To take possession of damaged property

When you claim under this policy, you agree that we, and any person authorised by us, have the right to enter the damaged property, or take possession of it, and deal with it in any reasonable manner. This right does not imply that we accept liability for the claim. It also does not diminish our right to apply any condition of this policy.

You remain responsible for all damaged property until it is in our possession.

To take legal action on your behalf

If we have compensated you for loss or damage, we have the right to recover our costs from the responsible third-party. We have the right to take legal action on your behalf to defend or settle any third-party claim. You agree that we may conduct the legal proceedings to our full discretion.

You must cooperate fully with us. Specifically, you agree to:

- do nothing that will prejudice or limit our rights;
- give us all information and documents we require;
- sign any document or affidavit that we request to enable us to exercise our rights;
- attend depositions, hearings, trials and give evidence as necessary; and
- make no admission, offer, promise, payment or statement about Sasria's liability without our written consent.

Transfer of rights

Only you have the right to claim against us under this policy. This right may only be transferred to another person or entity if you should die or if the law orders it.

Sharing information

By entering into a contract with Sasria, you waive your right to privacy and agree that we may disclose to any other insurance company any relevant information that you, or someone else on your behalf, has provided to us.

Your responsibilities

To be covered

To be covered under your Sasria policy:

1. The underlying policy must have been valid and active on the date of the insured event for which you claim;
2. The Sasria premium payments must be up to date and we must have received all such payments; and
3. You must, for attached policies, comply with the terms and conditions of your Sasria policy and those of the underlying policy (with the exceptions described above under **Policies that**

attach to the underlying policies). For stand-alone policies, you must comply with the terms and conditions of your Sasria policy.

Pay the premium in advance

Your Sasria premium is payable in advance per month or per year. If the period of insurance is more than one month, but less than 12 months, the full annual premium will be payable in advance.

If we do not receive your premium by the due date, we will consider this policy to have lapsed at 24:00 (midnight) of the last day of the previous period of insurance, unless you can prove that the failure to pay was an error on the part of our agent or your broker.

Take all reasonable precautions

You must take all reasonable action to prevent loss or damage.

Do not withhold information or commit fraud

It is your responsibility to make sure that you give us all relevant information and that this information is complete, correct, and remains correct. If you withhold any information, or give us false or incorrect information, we may refuse to pay your claim.

We have the right to verify or investigate any information that you submit.

We have the right to reject a claim if you, or any person representing you, commit fraud in terms of this Sasria policy. If we refuse to pay your claim because of fraud or attempted fraud, we will not refund premiums already paid and may start legal proceedings against the defrauding party.

You commit fraud if you, or anyone on your behalf:

- submit a false or dishonest claim under this policy;
- use false or dishonest means or false information to benefit from the cover that we provide; or
- deliberately cause an insured event. For example, if you should deliberately cause a fire or add fuel to it.

Compensation

How we compensate you

If you have a valid claim, we will compensate you for the lost or damaged property by making a payment to you, or by repairing, replacing or reinstating the damaged property.

Who gets the compensation?

If we accept liability, we compensate the policyholder, or his beneficiary in the event of his death, except in the following cases:

1. If the lost or damaged property is still under finance, we will pay the financial institution first.
2. If the lost or damaged property has been sold to you, but the seller still has an insurable interest in the property, we will compensate the seller proportionally if you write to us and request us to do so.

If the compensation that settles the claim is accepted, we will have no further liability regarding the claim.

Policy limits

The limits of compensation are detailed in the respective policies.

Agreed value

If the property is leased, rented or hired under an agreement that requires the insured to insure the property and/or be responsible for it at an agreed value, the sum insured will be the stipulated agreed value.

Countries where you are covered

This policy covers only property situated in the Republic of South Africa or in the territorial waters of South Africa. The 1982 United Nations Convention on the Law of the Sea defines territorial waters as "a belt of coastal waters extending 12 nautical miles (22.2 km) from the baseline (usually the mean low-water mark) into the sea".

Sasria has an agreement with the Namibian special risk insurance association (Nasria). In terms of this agreement, you have Sasria cover in Namibia for a maximum of sixty (60) consecutive days.

Disputes

If a dispute arises as to the compensation payable, or the liability of Sasria, we will refer the matter for arbitration in terms of the arbitration laws in force at that time in the Republic of South Africa, at a place that we will determine.

You will not have the right to take legal action against Sasria until the arbiter has made a decision. The decision of the arbiter will be final and binding.

Amendment

You, or Sasria, may amend this policy, but no amendment to this policy will be valid unless a director of Sasria has signed the amendment.

How to claim

What to do after an insured event

1. Contact your underlying insurer. The underlying insurer will let you know if you have a special risk claim and will handle the Sasria claim on your behalf.
2. Report the incident to the police within 48 hours and get a case number.
3. Do not make any offer or promise or admit responsibility.
4. Do not leave any damaged property without supervision, if possible.

You must claim, or notify us of the intention to claim, under this policy within thirty (30) days of the date of the insured event.

If we receive your claim or notification more than twenty-four (24) months after the date of the insured event, we will not consider liability, unless the claim is the subject of pending legal action or if the underlying insurer has not yet completed the final assessment of the loss. It is your responsibility to notify Sasria immediately of a pending legal action or delay in the final assessment.

Supporting documents

For all claims, we will request supporting documents or information. Your underlying insurer will send you a list of all the required documents.

Contract Works

Contract Works attaches to the terms, conditions and warranties of the underlying policy. See the General section for the details.

Important words and phrases

Word or phrase	Defined meaning
Civil commotion	Large-scale violence by members of the public, causing injury to people or damage to property.
Consequential loss	Loss or damage that is not directly caused by an insured risk, but which is an indirect consequence or result of the insured risk.
Labour disturbance	<p>In the case of Slabbert Burger vs Sasria, disturbance in a labour context was defined as "an overt disturbance of the public peace in defiance of authority, leading to physical damage".</p> <p>Sasria will only consider a claim for loss or damage as a result of a labour disturbance if all four of the following elements are present:</p> <ul style="list-style-type: none"> • A disturbance of the public peace; • Which happens openly, or which is clear upon observing; • In disobedience of authority; and • Which leads to physical loss or damage.
Lockout	<p>According to section 213 of the Labour Relations Act (66 of 1995), a lockout means "the exclusion by an employer of employees from the employer's workplace, for the purpose of compelling the employees to accept a demand in respect of any matter of mutual interest between employer and employee, whether or not the employer breaches those employees' contracts of employment in the course of or for the purpose of that exclusion".</p> <p>This definition may be amended by South African law from time to time.</p>
Looting	<p>To steal goods, typically during a riot, strike or civil commotion. Looting must take place during an event that Sasria covers.</p> <p>Sasria does not cover theft.</p>
Policyholder	<p>The person(s) or juristic entity in whose name the policy is issued.</p> <p>A policyholder could be:</p> <ul style="list-style-type: none"> • A holding company and all its subsidiaries (as set out in the Companies Act, 61 of 1973); or • A subsidiary of the holding company; or • An entity other than a company; or • A person or persons.

Public disorder	A riot or other civil commotion that gives rise to a serious risk to public safety, whether at a single location or resulting from a series of incidents in the same or different locations.
Riot	<p>In terms of case law, riot means the tumultuous disturbance of public peace by an assembly of three or more persons acting together in the execution of some private objective.</p> <p>Sasria will only consider a claim for loss or damage as a result of a riot, if all four of the following elements are present:</p> <ul style="list-style-type: none"> • Three or more persons who have assembled with the same objective; • A tumultuous disturbance of the public peace; • Which leads to strife, violence or threats of violence; and • Physical loss or damage. <p>In terms of this definition, Sasria does not consider the violent acts of three or more people who have different objectives as a riot.</p>
Strike	<p>According to section 213 of the Labour Relations Act (66 of 1995), a strike means "the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee, and every reference to 'work' in this definition includes overtime work, whether it is voluntary or compulsory".</p> <p>This definition may be amended by South African law from time to time.</p>
Terrorism	<p>The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims.</p> <p>Please note that Sasria cover does not extend beyond the borders of South Africa. In other words, if terrorism happens outside the borders of South Africa, Sasria does not cover that. Furthermore, Sasria does not cover consequential loss emanating from any acts of terrorism.</p>

WHO do we cover?

The Contract Works policy covers the policyholder and any other insured entity or person named in the schedule.

What we cover

Sasria will compensate you for the loss of, or damage to, property insured in the underlying policy, if that loss or damage is directly related to, or caused by:

1. Any riot, strike or public disorder or any act or activity which is calculated or directed to bring about a riot, strike or public disorder;
2. 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;

3. 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;
4. Any attempt to perform any act referred to in clauses 1, 2 and 3 above;
5. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clauses 1, 2, 3 or 4 above;
6. Looting committed as part of the acts described in 1, 2, 3, 4 or 5 above.

What we DON'T cover

Sasria does not compensate you for:

1. Any form of consequential or indirect loss or damage, depreciation of any nature, wear and tear, and any form of mechanical or electrical failure or breakdown;
2. Consequential loss or damage resulting from stopping work, totally or partially, or from delaying, interrupting or stopping any process or operation;
3. Loss or damage resulting from a lawful authority confiscating, commandeering or requisitioning insured property, permanently or temporarily, or any attempt to do so;
4. Loss or damage, in any way caused by, or contributed to, an act of terrorism that uses, or threatens to use, any nuclear weapon or device, or any chemical or biological agent;
5. Loss or damage, in any way caused by, or contributed to, war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, 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 a state of siege;
6. Any attempt to perform any act referred to in clauses 4 and 5 above;
7. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clause 4 and 5 above;
8. 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 South African territory to which this policy applies;
9. Loss caused by prevention of access (for example, penalties or fines for an extended contract period);
10. Loss or damage for which you are liable in terms of a contract, unless you would have been liable for the damage in the absence of the contract;
11. Loss or damage caused directly or indirectly by a nuclear event. A nuclear event is an incident or accident involving the release of radioactive material with negative health and environmental effects.

If we reject a claim by reason of exclusion 5 or 8, you will have to prove that the loss or damage was not related to exclusion 5 or 8.

Conditions

1. If the sum insured of a **construction plant** is less than its replacement value at the time of the claim, we will apply the principle of average and only pay a portion of the claim. We will apply the principle of average to every construction plant for which you claim. Please note that the principle of average will not be applied if agreed value is the basis of cover.
2. The premium for **contract works and materials** is attached to the premium of the underlying policy. This means that, if the premium of the underlying policy is adjusted, the Sasria premium will be adjusted accordingly. This condition does not apply to the premium of a construction plant or a mobile plant.
3. It is your responsibility to comply with all government regulations that relate to contract works. We may not pay your claim if you do not comply with the relevant regulations.

Compensation

For the policyholder, the total limit of compensation is R500 million (excluding VAT) per period of insurance. The policyholder may insure sub-contractors under this policy at an additional premium. The maximum total compensation for the sub-contractors together is R50 million (excluding VAT) per period of insurance. Sub-contractors may take out their own Sasria insurance.

These limits apply irrespective of the number of insured events and the number of claims for which we have accepted liability under this policy.

Excess

For loss or damage to contract works and materials, the excess or first amount payable is calculated as 0,1% of the value of the specific contract for which a claim is made. The following minimum and maximum amounts apply:

Minimum excess (first amount payable)

- R250 (Domestic risks)
- R2 500 (All other risks)

Maximum excess (first amount payable)

- R25 000

For loss or damage to a construction plant, the excess is R1 000 for each loss or damage arising from any one insured event.

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