

AIG Domestic Armour Policy Wording



Bring on tomorrow



SAIA

Code of Good Business Practice

CODE OF GOOD BUSINESS PRACTICE THE SOUTH AFRICAN INSURANCE ASSOCIATION

MISSION STATEMENT

The South African Insurance Association (SAIA) promotes the short-term insurance industry by creating a positive awareness and understanding of the industry.

THE OBJECTIVES OF THIS CODE ARE TO:

- Promote high ethical standards within the Short-Term Insurance Industry;
- Promote good relationships between insurers, intermediaries and consumers;
- Promote customer satisfaction and;
- Provide customers with a means of resolving disputes with their insurers.



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AIG Domestic Armour

The Complete Domestic Insurance Policy

AIG South Africa Limited agrees to provide insurance in terms of this policy during any period of insurance for which a premium has been paid.

Richard Lang
AIG
VP, Consumer Lines Head
South Africa

IMPORTANT:

1. CONSENT TO THE DISCLOSURE OF PRIVATE UNDERWRITING AND CLAIMS INFORMATION.

By acceptance of this contract of insurance the insured acknowledges that the sharing of claims information and underwriting information (including credit information) by Insurers is essential to enable the Insurance Industry to underwrite policies and assess risks fairly and to reduce the incidence of fraudulent claims, in the public interest and with a view to limiting premiums. The insured, on his own behalf and on behalf of any person he represents herein, hereby waives any right to privacy in any insurance information provided by him or on his behalf in respect of any insurance policy or claim made or lodged by him and he consents to such information being disclosed to any other insurance company or its agent. The insured also acknowledges that the information provided by him may be verified against other legitimate sources or databases and waives any rights of privacy and consent to the disclosure of any information relevant to any insurance policy or claim concerning him.

Any reference to the masculine gender shall include the female gender.

2. PLEASE ADVISE US OF ANY CHANGE TO YOUR BANKING DETAILS

If you pay your premium each month by monthly debit order and you change your bank and or branch of your bank without notifying AIG South Africa Limited your premium debit order will not be processed and the cover under this policy will lapse.

3. SASRIA

Although this cover is excluded from this policy, AIG South Africa Limited has arranged full SASRIA cover. Should you so wish, you may obtain a copy of the SASRIA certificate from the nearest branch of AIG South Africa Limited.

This insurance contract is conditional upon and will only come into effect following payment of the premium by you and receipt thereof by or on behalf of ourselves and is conditional upon acceptance by you of the **CONSENT TO THE DISCLOSURE OF PRIVATE UNDERWRITING AND CLAIMS INFORMATION** clause referred to above.

The completed proposal or any declaration made or any information supplied to us by you or by any other person acting on your behalf forms the basis of this contract.



GENERAL DEFINITIONS

Wherever used in the policy, the terms stated below will have the meanings stated below.

We / us / our AIG South Africa Limited

You / your The insured named in the schedule and any member of the insured's family who permanently resides with the insured

The Schedule Forms part of this policy and must be read in conjunction herewith.

Period of insurance

Monthly policy The period commencing on the date stated in the schedule and expiring on the last day of the same month and any subsequent period of one month for which a premium has been paid by you and accepted by us

Annual policy The period commencing on the date stated in the schedule and expiring at the end of the date stated in the schedule

If you have paid the premium we will indemnify you in terms of this policy against the defined events herein which occur during the period of insurance subject to the terms, exceptions and conditions herein.

This insurance contract is conditional upon and will only come into effect following payment of the premium by you and receipt thereof by or on behalf of ourselves.

The completed proposal or any declaration made or any information supplied to us by you or by any other person acting on your behalf forms the basis of this contract.

GENERAL EXCLUSIONS – apply to the whole policy unless specifically stated otherwise in any section of this policy

We will not pay for

1. (A) 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 we allege 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 you.

(B) 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.

2. any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by or contributed to by or arising from

- (A) ionising radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel
- (B) nuclear material, nuclear fission or fusion, nuclear radiation
- (C) nuclear explosives or any nuclear weapon
- (D) nuclear waste in whatever form
regardless of any other cause or event contributing concurrently or in any other sequence to the loss.



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

3. Consequential loss of any kind or depreciation in value except as specifically provided for in any section of this policy
4. Confiscation or nationalisation or detention or requisition of any of the property insured by this policy by customs or other officials or authorities
5. Theft as a result of someone buying any property or vehicle from you and paying for it with a fraudulent or stolen cheque or by such person stopping payment on any cheque or by any other fraudulent means
6. Any claim arising from any contract unless such liability would have attached to you in the absence of such contract
7. Loss or damage occurring outside the Republic of South Africa, Lesotho, Swaziland, Mozambique, Zimbabwe, Malawi, Botswana or Namibia unless specifically stated otherwise in any section of this policy
8. 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.

GENERAL EXTENSIONS – apply to the whole policy unless specifically stated otherwise in any section of this policy

Riot and Strike Extension – applicable only to property that is elsewhere than in the Republic of South Africa or Namibia

We will pay for loss of or damage to property related to or caused by civil commotion, labour disturbances, riot, strike, lockout or public disorder or any actor or activity which is calculated or directed to bring about any of the foregoing.

We will not pay for 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 nor for any attempt to perform any such act

If we allege that loss or damage is not covered by this policy, the burden of proving the contrary shall rest on you.

Malicious damage

We will pay for deliberate or wilful or wanton acts **excluding destruction or damage caused by or arising from theft or attempted theft.**

GENERAL CONDITIONS – apply to the whole policy unless specifically stated otherwise in any section of this policy

1. Jurisdiction

This policy is subject to the laws of the Republic of South Africa.

We will not pay for

- (A) damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland
- (B) costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and recoverable in the area described in 1(A) above

2. Prevention of loss

You must take all reasonable precautions to prevent loss, damage or liability.



3. Misrepresentation, misdescription and non-disclosure

This policy or any section or item hereof will be voidable in the event of any misrepresentation, misdescription or non-disclosure of any material particular relating to this policy or any part of this policy throughout the entire period of insurance and not only at inception or renewal.

4. Other insurances – does not apply to the Personal Accident and Disaster Cash sections of this policy

If the loss, theft, damage or liability is insured by any other policy, we will not pay more than our rateable proportion of such loss, theft, damage or liability. If such other insurance is subject to any condition of average, this policy will, if not already subject to average, be subject to average

5. Cancellation

This policy may be cancelled

- (A) by you at any time
- (B) by our giving you 30 days notice of cancellation.

If you cancel this policy, you will be entitled to a refund premium for the unexpired period of insurance after deduction by us of our customary short-term premium for the period for which this policy was in force

If we cancel this policy, we will refund to you a pro-rata portion of the premium for the unexpired period of insurance

6. Continuation of cover where premium is paid by bank debit order or by transmission account

Premium is payable in advance. If the premium has not been paid, by the due date

- (A) as a result of payment having been stopped by you this policy will be cancelled as at the date that the premium was due to be paid
- (B) for any reason other than described in 6(A) above we will redebit in the following month and should the outstanding premium not be paid when redebited, the policy will be cancelled from the date the first unpaid premium was due to be paid, unless you can show that failure to pay the premium was an error on the part of your bank or other paying agent.

7. Claims

(A) On the happening of any event which may result in a claim under this policy you must

- (i) notify us in writing as soon as possible after such event and provide us with whatever details we may reasonably require
- (ii) notify the police as soon as possible after any loss, theft or malicious damage to the insured property and any accident involving any of your motor vehicles
- (iii) not negotiate pay admit or repudiate any claim without our written consent
- (iv) send us any communications and documents you may receive which relate to the claim immediately upon receipt
- (v) give us particulars of any other insurances covering the event
- (vi) give us all the necessary information and assistance to
 - (a) settle or resist any claim
 - (b) recover our costs
 - (c) identify lost or stolen property should such property be recovered
- (vii) not abandon any property

(B) We will not pay or be liable for any claim

- (i) unless you comply with all the above conditions
- (ii) after 12 months have elapsed from the date of the event which gives rise to a claim. This condition does not apply to claims for legal liability to any third party nor to claims which are in the process of litigation or arbitration
- (iii) if we deny liability and you do not take legal action within 3 months of the denial or, if the claim is the subject of arbitration, within 3 months of an arbitration award.

8. Our rights after an event

After an event in respect of which a claim is or may be made under this policy we may

- (A) enter, take or keep possession of the insured property where loss or damage has occurred and deal with it in any reasonable manner
- (B) take over and conduct in your name or in the name of any other person insured by this policy the defence or settlement of any claim and take proceedings at our expense and for our benefit in your name or in the name of any other person insured by this policy to recover any payment we have made under this policy. You must give us all necessary information and assistance in this regard.
- (C) take any action we deem necessary to enforce our rights by way of subrogation either prior or subsequent to our paying a claim.

9. Fraud

We will not pay for any claim if fraudulent means are used by you or anyone acting on your behalf to obtain any benefit under this policy or, if any loss destruction damage or liability arises from any wilful act or connivance on your part

10. Reinstatement of cover after loss – does not apply to the Personal Accident section of this policy

We will not reduce the sum insured should we pay a claim but may charge an additional premium from the time of the loss or damage or from the time of replacement of the lost or damaged property to the expiry date of the policy based on the amount of the loss.



11. Breach of conditions

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

12. Rights to other persons

Nothing in this policy gives any rights to any person other than you unless specifically provided otherwise. Any extension providing indemnity to any other person will not give the rights of claim to such person, the intention being that you must claim on behalf of such person. Your receipt shall in every case be a full discharge to us.

GENERAL PROVISOS – apply to the whole policy unless specifically stated otherwise in any section of this policy

1. Claim preparation costs

In the event of a claim under this policy, we will also pay for the costs incurred by you in terms of General Condition 7 and costs incurred by you in substantiating the amount of any claim provided that we will not pay more than R1 000 plus any amounts stated in the schedule in respect of each section of this policy.

2. Payments on account

If you so request we may, at our discretion, make payments on account against amounts recoverable from us in terms of any claims where payment is delayed pending finalisation of such claim.

3. First amounts payable

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

4. Liability under more than one section

We will not be liable under more than one section of this policy in respect of liability, loss or damage arising from the same event in respect of the same liability, loss or damage.

5. Meaning of words

Every word or expression to which a specific meaning has been given shall mean the same throughout this policy.

6. Premium payment

The premium is payable on or before the due date. We will not be obliged to accept any offer to pay premium after inception or renewal date but we may do so upon terms which we may determine.

7. Holding covered

If we are holding covered on a risk we will not reject a claim on the basis that the premium has not been agreed.

8. Schedule sums insured blank

If on the schedule the sum insured, limit of indemnity or compensation is

- (A) left blank or has no monetary amount shown against it
- (B) reflected as nil or not applicable or not covered or no indemnity extended
the defined event or circumstance shown on the schedule is not insured by this policy.

9. Security firms

We will not exercise our rights of recourse against an employee of a security firm that you employ under a contract for loss or damage caused by such employee if the contract between you and the security firm states that you may not claim against them for such loss or damage.

We will not raise as a defence to any valid claim under this policy that our rights have been prejudiced by the terms of any contract you have entered into with any security provider relating to the property insured by this policy.



Section 1 – HOUSEOWNERS (BUILDINGS) – applies only if so stated on the schedule

We will pay for the cost of repairing or reinstating the buildings if lost, damaged or destroyed by any of the insured events during the period of insurance or we may, at our discretion, pay the value of such property at the time of the damage or destruction up to a maximum of the sum insured stated on the schedule against each item insured.

DEFINITIONS

The buildings

The buildings of the private dwelling house and all garages and outbuildings all of standard construction (unless otherwise stated on the schedule) situated at the address stated on the schedule including

1. swimming pools, saunas and boreholes for domestic water including their pumps, fixed filtration plant, motors and switchgear but **excluding automatic pool cleaners**
2. walls, gates, posts and fences (**but not hedges**)
3. public supply connections
4. pathways, driveways and patios paved with brick, asphalt, concrete or stone (**not gravel**)
5. tennis courts **other than clay, gravel or grass surfaces**
6. radio or television masts and aerials
7. landlord's fixtures and fittings therein and thereon or whilst temporarily elsewhere for the purpose of repair or renovation.

Standard Construction

Means the walls are made of brick, concrete or stone and the roof is made of tiles, slate, concrete, metal or asbestos

INSURED EVENTS

1. Fire lightning thunderbolt explosion
2. Storm, wind, water, hail or snow **but excluding destruction or damage**
(A) **to gates, fences and retaining walls**
(B) **caused by movement of the land supporting the dwelling even if such movement is caused by storm or flood. This exclusion will not apply to the removal of land supporting the buildings by flowing surface water**
3. Earthquake
4. Bursting, leaking or overflowing of water apparatus or fixed oil-fired heating apparatus including damage thereto provided that our liability for damage to geysers shall not exceed the amounts stated below:
% of replacement cost of geyser
0-3 years old - 100% 3-4 years old - 75 % 5-6 years old - 60% 7-8 years old 40% 9 years and older 25%
5. Theft or attempted theft of landlord's fixtures and fittings provided that if the private dwelling house is vacant there is forcible and violent entry or exit
6. Breakage or collapse of radio or television aerials or masts
7. Impact

CAPITAL ADDITIONS

Alterations additions and improvements (**but not appreciation in value in excess of the sum insured**) to the buildings not exceeding 15% of the sum insured on each such building are automatically insured provided that you inform us of such alterations, additions and improvements at the end of each quarter and that you agree to pay any additional premium that may be due.

AUTOMATIC INCREASE IN SUM INSURED

The sum insured stated against each item on the schedule shall be increased by an amount equal to the consumer price index at the end of each month, provided that at the end of each 12 month period of insurance the sum insured shown on the schedule shall be adjusted to show the new sum insured.

BASIS OF CLAIM SETTLEMENT

1. If any of the buildings are destroyed or damaged by an insured event
 - (A) we will by payment or at our choice by reinstatement or repair indemnify you provided that if at the time of the loss, destruction or damage the value of the buildings including the cost of demolition, professional fees and public authorities requirements as defined in Extension 5 amount to more than the sum insured you will be your own insurer for the difference and will bear a rateable proportion of the loss or
 - (B) you may choose within 6 months of the date of destruction to reinstate any of the buildings on the same site (or on another site and in the way you want subject to our liability not being increased) as nearly as possible to its condition when new provided
 - (i) the reinstatement must be started and finished in reasonable time otherwise we will settle in terms of 1. (A) above
 - (ii) **we will not be liable for the cost exceeding the cost which would have been payable in terms of 1. (A) above until the cost has been incurred by you**
 - (iii) if at the time of reinstatement the cost including the cost of demolition, professional fees and public authorities requirements as defined in Extension 5 which would have been incurred in reinstating the buildings had they been totally destroyed exceeds the sum insured on the buildings at the time of destruction or damage you will be your own insurer for the difference and will bear a rateable proportion of the cost of reinstatement.



EXTENSIONS – automatically included

1. Rent

If the private dwelling becomes uninhabitable as a result of destruction or damage caused by an insured event we will for the period necessary for reinstatement pay you the rental value of the unfurnished dwelling but not more than 20% of the sum insured on the dwelling. The basis of calculation shall be the annual rent of the unfurnished dwelling or its equivalent in rental value.

2. Breakage of glass and sanitaryware

In the event of accidental breakage in the dwelling (except when it is vacant) of

- (A) fixed glass
- (B) fixed sanitaryware excluding chipping, scratching or disfiguration

we will pay for or may choose to repair or replace the item but we will not pay for the first amount payable stated on the schedule.

3. Removal of fallen trees

If the buildings are damaged by a tree that has fallen we will pay up to an amount of R 2 000 for the removal of such tree provided that

- (A) we will not pay the first R500 of any claim
- (B) we will not pay for the removal of the tree if the root system was unable to continue to support the tree in an upright position nor because of any rotting of the tree
- (C) the tree was not in the process of removal.

4. Public supply or mains connections

Accidental damage to water, gas, electricity, sewerage and telephone and computer connections between the buildings of the private dwelling and the public supply or mains.

5. Cost of demolition, professional fees and public authorities requirements

We will pay costs necessarily incurred with our written consent

- (A) in demolishing the buildings removing debris from the site and erecting hoardings required for building operations
- (B) for architects', quantity surveyors' and consulting engineers' fees
- (C) for local authorities' scrutiny fees
- (D) for repairing or rebuilding in accordance with the requirements of public authorities following destruction or damage to the buildings by an insured event.

6. Fire brigade charges

If authorities charge you with the cost of fire extinguishing following fire damage to the buildings we will pay such costs.

7. Mortgagee

The interest of a mortgagee of which we are aware

- (A) ranks prior your interest
- (B) is limited to the amount owing by you to the mortgagee
- (C) will not be invalidated by any act or omission by you if such act or omission occurs without the mortgagee's knowledge.

8. Tenants

Any act or omission of a tenant will not invalidate this insurance provided that you notify us as soon as such act or omission comes to your knowledge.

9. Home business

This insurance shall not be invalidated if you carry on a business from the private dwelling house provided that

- (A) such business is not a manufacturing concern
- (B) the buildings are primarily used as a private residence
- (C) no person other than you is employed specifically for such business unless the nature of the business is an office or consulting room and
- (D) the risk of loss or damage to the buildings is not thereby increased.

10. Building operations

While the dwelling is being erected or structurally altered cover provided by

- (A) insured events 4 and 5,
- (B) extension 1 Rent,
- (C) extension 2 Breakage of glass and sanitaryware
- (D) optional extension 1 Accidental damage if insured and
- (E) optional extension 3 Subsidence and landslip if insured

will not apply to destruction or damage or liability arising directly or indirectly from such erection or alteration.



OPTIONAL EXTENSIONS – apply only if so stated on the schedule

1. Accidental damage

We will pay for loss, destruction or damage to the buildings by any cause not otherwise excluded up to the limit any one claim as stated on the schedule but we will not pay

- (A) the first amount shown on the schedule in respect of each and every claim
- (B) for destruction or damage
 - (i) by storm, wind, water, hail or snow to gates, fences and retaining walls
 - (ii) caused by movement of the land supporting the dwelling even if such movement is caused by storm or flood. This exclusion will not apply to the removal of land supporting the buildings by flowing surface water.

2. Water Pumping Machinery

We will pay up to the amount stated on the schedule for accidental damage to or breakdown of fixed filtration plant, water pumping and borehole equipment but we will not pay for

- (A) automatic pool cleaners
- (B) the first amount payable stated on the schedule of each and every claim.

3. Subsidence and landslip

We will pay for destruction or damage to the buildings caused by subsidence or heave of the land supporting the buildings or landslip We will not pay for

- (A) destruction or damage caused by or arising from
 - (i) excavations other than mining excavations
 - (ii) alterations, additions or repairs to the buildings
 - (iii) the compaction of infill
 - (iv) defective design, materials or workmanship
 - (v) normal settlement, shrinkage or expansion of the buildings.
- (B) destruction or damage of
 - (i) solid floor slabs or any other part of the buildings resulting from the movement of such slabs unless the foundations supporting the external walls of the buildings are damaged by the same cause at the same time
 - (ii) swimming pools, tennis courts, sauna and spa rooms and baths, gates, walls, fences, driveways, paths, patios, terraces, septic or conservancy tanks, drains and water courses unless the private dwelling or its domestic outbuildings are damaged by the same cause at the same time
- (C) work necessary to prevent further destruction or damage due to subsidence, heave or landslip except where appropriate design precautions were implemented during the original construction of the private dwelling and its domestic outbuildings and any subsequent additions thereto
- (D) the first amount payable stated on the schedule

SPECIAL EXCLUSIONS – applicable to the whole of this section of the policy including all the extensions.

We will not pay for

- 1. the first amount payable stated on the schedule (or in the policy wording whichever is the greater amount) of every claim
- 2. damage to underground pipes or sewage septic tanks
- 3. loss of or damage to property resulting from or caused by
 - (A) theft or any attempt thereat, water, malicious damage and breakage of glass and sanitaryware if the buildings are unoccupied for more than 30 (thirty) consecutive days or any other period agreed by us and so stated on the schedule
 - (B) its undergoing any process of cleaning, repairing, dyeing, altering or restoring,
 - (C) the action of light or climatic or atmospheric conditions, but not storm, wind, water, hail, or snow, unless following an insured event
 - (D) inherent vice or defect, vermin, insects, termites, damp, mildew, mould, fungi, wet or dry rot, bacteria or rust
 - (E) theft by any tenant or subtenant (or by the family or servants of such tenant or subtenant) unless accompanied by forcible and violent entry to the buildings
 - (F) wear and tear or gradual deterioration unless resulting from an insured event
 - (G) mechanical or electrical breakdown, failure, breakage or derangement unless resulting from an insured event (does not apply to OPTIONAL EXTENSION 2)
 - (H) landslip and subsidence except as provided for in optional extension 3 if insured
 - (I) roots or weeds



Section 2 – DISASTER MORTGAGE – applies only if so stated on the schedule

We will pay the monthly mortgage amount or the monthly amount stated on the schedule against each item insured whichever is the lesser amount for the period stated on the schedule if the buildings are temporarily lost, damaged or destroyed by any of the insured events and is rendered uninhabitable during the period of insurance.

DEFINITIONS

The buildings

The buildings of the private dwelling house situated at the address stated on the schedule including

1. swimming pools, saunas and boreholes for domestic water including their pumps, fixed filtration plant, motors and switchgear
2. walls, gates, posts and fences (but not hedges)
3. public supply connections
4. pathways, driveways and patios paved with brick, asphalt, concrete or stone (not gravel)
5. tennis courts other than clay, gravel or grass surfaces
6. landlord's fixtures and fittings therein and thereon

Uninhabitable means that the buildings cannot be lived in for more than 48 consecutive hours

Monthly Mortgage Amount

The amount normally payable monthly to your mortgage lender, including interest charge(s) and insurance charge(s) scheduled to be paid by you after the date of the loss. The monthly mortgage amount does not include penalties or other charges not normally included in your monthly mortgage amount that are incurred by you prior to the date of loss.

INSURED EVENT

Direct physical loss or damage to the buildings caused by any sudden and accidental occurrence beyond the control of or not intended by you or your immediate family or by other person(s) living in the buildings that physically, adversely and directly affects the habitable condition of the buildings.

SPECIFIC CONDITIONS

1. The first month of a covered loss, payment will be calculated at the rate of 1/30th of the monthly mortgage amount for each day of the first month your premises is uninhabitable.
2. Cover under this section ceases
 - (A) if repair or replacement or rebuilding of the buildings are not commenced within 90 days of the insured event
 - (B) on the day that the buildings are habitable
 - (C) if such repair, replacement or rebuilding is interrupted for more than 6 months in which event no further monthly payment will be made.
3. If repair, reconstruction or restoration work on the buildings is commenced within 90 days after a loss, but the work is interrupted for a period of 60 days or more, the payments provided by this policy will be suspended until the month in which the work is resumed.
4. The monthly mortgage amount is not payable if your premises is permanently uninhabitable.

SPECIFIC EXCLUSIONS – applicable to the whole of this section of the policy

1. We will not pay for any losses occurring within the first 30 days of the inception date of this section of the policy nor will we pay for any claims occurring within 30 days of the date on which the buildings are habitable following a claim
2. We will not pay for any loss damage or destruction that renders the buildings uninhabitable if such loss damage or destruction is caused directly or indirectly by
 - (A) quarantine or condemnation of the buildings because of the spread of infectious disease, unpleasant odors, allergies or any other health related hazards
 - (B) inherent vice or defect, vermin, insects, termites, damp, mildew, mould, fungi, wet or dry rot, bacteria or rust
 - (C) constant or intermittent noise
 - (D) pollution, contamination and/or waste, either actual or alleged
 - (E) normal wear and tear and/or deterioration
 - (F) settling, shrinking, bulging or expansion, including resulting cracking of pavements, patios, foundations, walls, floors, roofs or ceilings and/or subsidence
 - (G) neglect which means your failure to take all reasonable steps to protect your property when it is threatened with loss or damage, and to take all reasonable steps to protect your property from further loss after loss or damage occurs
 - (H) theft or vandalism
 - (I) any change in temperature or freezing in a plumbing, heating or air conditioning system or household appliance
 - (J) faulty, inadequate or defective planning, zoning, development, surveying, siting design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction, materials used in repair, construction, renovation or remodeling or maintenance of any part or all of any property on the insured premises
 - (K) interruption of power from an off-premises source
 - (L) loss caused by a condition known by you to exist prior to this insurance being placed in force or of which you should have known to exist by use of reasonable diligence
 - (M) acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body
 - (N) the seizure or destruction of covered property by any governmental body, including any customs or guarantee action or confiscation or destruction of property by an order of any governmental or public authority, except an order to destroy property to prevent the spread of fire or explosion
 - (O) an intentional act, meaning any loss arising out of any act committed :
 - (i) by or at your direction or the direction of any member of the family residing in the property; and
 - (ii) with the intent to cause a loss or with knowledge that such a loss would occur; or
 - (iii) a dishonest act.



Section 3 – HOUSEHOLDERS (CONTENTS) – applies only if so stated on the schedule

We will pay for the cost of repairing or reinstating the contents of the buildings if lost, damaged or destroyed by any of the insured events during the period of insurance or we may, at our discretion, pay the value of such property at the time of the loss damage or destruction up to a maximum of the sum insured stated on the schedule against each item insured.

DEFINITIONS

The contents

Household goods and personal effects belonging to you or for which you are responsible whilst contained in the buildings including garden furniture and garden ornaments whilst in the open at the address stated on the schedule.

but excluding

1. property more specifically insured
2. more than 1.0% of the sum insured or R5 000 whichever is the lesser amount for money and other negotiable instruments
3. loss, damage or injury to animals, gold coins, stamp and coin collections, motor vehicles (other than domestic lawnmowers), caravans, trailers and air and water craft (other than models) and their equipment and accessories
4. more than 10% of the sum insured for any one article other than furniture
5. more than one-third of the sum insured in total for precious metals and stones, jewellery, furs, rugs and carpets unless specifically itemised on the schedule
6. any amount exceeding 10% of the sum insured or R30 000 whichever is the lesser amount in respect of property used in connection with any business conducted by you from the buildings provided that
 - (A) such business is not a manufacturing concern
 - (B) the buildings are primarily used as a private residence, and
 - (C) no person other than you is employed specifically for such business unless the nature of the business is an office or consulting room, and
 - (D) the risk of loss or damage to the buildings is not thereby increased.

Buildings

The private dwelling and its domestic outbuildings and garages all of standard construction (unless otherwise stated on the schedule) all situated at the address stated in the schedule.

Standard construction

Means the walls are made of brick, concrete or stone and the roof is made of tiles, slate, concrete, metal or asbestos.

INSURED EVENTS

1. Fire, lightning, thunderbolt, explosion
2. Storm, wind, water, hail or snow but excluding any loss or damage
 - (A) to contents in the open unless designed to exist in the open
 - (B) caused by the deliberate use or application of water
3. Earthquake
4. Impact
5. Bursting or overflowing of water tanks, apparatus or pipes
6. Accidental leakage of oil from any fixed oil-heating installation
7. Theft or any attempt thereat from within the buildings but excluding
 - (A) theft by any person to whom the private dwelling is lent, let or sub-let
 - (B) theft from any outbuilding not directly communicating with the private dwelling for an amount of more than R2 000
 - (C) from any other premisesunless such theft is accompanied by forcible and violent entry or exit
8. Theft of laundry, garden furniture and garden and pool cleaning equipment in the open at the address stated in the schedule for an amount of not more in total than 2.0% of the sum insured or R10 000 whichever is the lesser amount for any one claim.

OPTIONAL EXTENSIONS AND LIMITATIONS TO INSURED EVENTS

1. **Accidental damage** – applies only if so stated on the schedule
 We will pay for accidental damage to the contents whilst contained in the buildings by any cause not otherwise excluded up to the limit any one claim as stated on the schedule **but we will not pay**
 - (A) the first amount shown on the schedule in respect of each and every claim
 - (B) for loss or damage by storm, wind, water, hail or snow
 - (i) to contents in the open unless designed to exist in the open
 - (ii) caused by the deliberate use or application of water
 - (C) the special value which any item may have as part of a set or pair
 - (D) the cost of reproducing images, sounds or data on tapes, compact disks, film or other magnetic medium

2. **Subsidence and landslide** – applies only if so stated on the schedule
 We will pay for destruction or damage to the contents as a result of damage to the buildings caused by subsidence or heave of the land supporting the buildings or landslide
 We will not pay for
 - (A) destruction or damage caused by or arising from
 - (i) excavations other than mining excavations
 - (ii) alterations, additions or repairs to the dwelling
 - (iii) the compaction of infill
 - (iv) defective design, materials or workmanship
 - (v) normal settlement, shrinkage or expansion of the dwelling
 - (B) the first amount payable stated on the schedule

3. **Theft exclusion** – applies only if so stated on the schedule
 We will not pay for any claims for theft or attempted theft

4. **Fire and perils only cover** – applies only if so stated on the schedule
 We will pay only for claims for loss or damage to the contents by
 - (A) fire, lightning, thunderbolt, explosion
 - (B) storm, wind, water, hail or snow **but excluding any loss or damage**
 - (i) to contents in the open unless designed to exist in the open
 - (ii) caused by the deliberate use or application of water
 - (C) earthquake
 - (D) impact
 - (E) bursting or overflowing of water tanks, apparatus or pipes
 - (F) accidental leakage of oil from any fixed oil-heating installation
 Specific extensions 1, 2, 3, 4 and 5 are deleted

SPECIAL EXCLUSIONS – applicable to the whole of this section of the policy including all the extensions.

We will not pay for

1. the first amount shown on the schedule for each and every claim

2. the first amount shown on the schedule for the first 30 days of insurance under this policy in addition to any other first amounts payable

3. the voluntary first amount payable shown on the schedule

4. loss of or damage to contents resulting from or caused by
 - (A) it's undergoing any process of cleaning, repairing, dyeing, altering or restoring
 - (B) the action of light or climatic or atmospheric conditions, but not storm, wind, water, hail, or snow, unless following an insured event
 - (C) inherent vice or defect, vermin, insects, termites, damp, mildew, mould, fungi, wet or dry rot, bacteria or rust
 - (D) detention, confiscation or requisition by customs or other officials or authorities
 - (E) wear and tear or gradual deterioration unless resulting from an insured event
 - (F) mechanical or electrical breakdown, failure, breakage or derangement unless resulting from an insured event
 - (G) scratching, denting or chipping
 - (H) biting, chewing, tearing, or soiling by domestic pets



5. damage to or breakage of firearms whilst in use
6. damage to china, glass (including camera or spectacle lenses) or any other material of a brittle nature unless caused by an insured event (does not apply to OPTIONAL EXTENSION 1 OR SPECIFIC EXTENSION 5).
7. theft of any of the property insured if the buildings are left unoccupied for a period of more than 60 days in total in any 12 months period of insurance unless otherwise specifically stated on the schedule.

SPECIFIC CONDITIONS

1. Basis of Settlement

The basis upon which the amount payable is to be calculated shall be the current replacement cost of the stolen lost or damaged contents with new contents of the same kind or type or with similar new contents at the date of the insured event.

2. Automatic increase in sum insured

The sum insured shown on the schedule shall be increased by an amount equal to the consumer price index at the end of each month, provided that at the end of each 12 month period of insurance the sum insured shown on the schedule shall be adjusted to show the new sum insured.

3. Average

If at the commencement of an insured event, the cost of replacing all of the contents as new is greater than the sum insured thereon you will be considered your own insurer for the difference and shall bear a rateable proportion of the loss.

SPECIFIC EXTENSIONS — Automatically included unless otherwise stated

1. Other losses

We will pay up to a maximum amount of 2.0% of the sum insured or R10 000 whichever is the lesser amount for

- (A) the cost of reconstituting or rewriting personal documents if lost or damaged by an insured event
- (B) contents belonging to guests or your domestic servants other than money and negotiable instruments if lost or damaged by an insured event if such property is not otherwise insured
- (C) costs and expenses reasonably and necessarily incurred to replace any keys or locks or any remote controllers to gates and garage doors or to the buildings if such locks and keys have been lost, stolen or damaged
- (D) veterinary expenses for your domestic animals incurred as a result of a road accident
- (E) medical expenses incurred as a result of bodily injury to guests caused by your domestic animals or by any defect in the buildings
- (F) the cost of employing a security guard following loss or damage by an insured event
- (G) accidental damage to any domestic telephone **other than cellular telephones**
- (H) the replacement of trees, shrubs, or plants following damage to buildings that are owned and occupied by you following damage by fire, fire fighting operations, explosion, impact by vehicles or aircraft or malicious damage but **we will not pay for such trees, shrubs or plants that are damaged by theft or attempted theft**
- (I) the contents of any deep freeze or refrigerator if damaged as a result of accidental damage to the refrigeration unit or failure of the power supply but **we will not pay if the power supply has been deliberately withheld by the supply authority**

2. Loss of water

We will pay for loss of water by leakage from pipes at the buildings where you are required to pay for such water up to a maximum amount of R5 000 if the amount of water used over a three month period is more than 50% higher than in the previous three months but **we will not pay for**

- (A) **water lost through leaking taps, geysers, sanitary systems or swimming pools**
- (B) **water lost as a result of leaks in swimming pool pipes**
- (C) **water lost whilst the buildings are unoccupied for a period of more than 30 days**
- (D) **the cost of any remedial action**

provided that you take immediate remedial action to stop the leakage



3. Hole in one

We will pay you R5 000 if you score a hole-in-one as an amateur in a game of golf played in accordance with the Rules of Golf if such hole-in-one is confirmed in writing by the club secretary.

4. Full House

We will pay you R5 000 if whilst playing in a bowls competition as part of a team of four as amateurs you score a full house (all eight bowls to count) in any competition being played in terms of the rules of the South African Bowling Association or any similar controlling body if such full house is confirmed in writing by the club secretary.

5. Accidental Damage – basic cover

We will pay for accidental damage or breakage of

- (A) aerials or aerial masts
- (B) mirror glass or fixed glass forming part of any article of furniture
- (C) television sets, vision or sound reproduction equipment such as but not limited to video recorders and hi-fidelity equipment but **excluding compact discs, video or audio tapes or cassettes and any mechanical or electrical breakdown** whilst in the private dwelling.

6. Contents temporarily removed

We will pay for loss or damage or destruction of the contents

- (A) by an insured event
 - (i) whilst in any private residence, hotel, lodging house, club, nursing home, hospital or school in which you are temporarily residing at the time of the insured event
 - (ii) whilst in any office, business or trade premises where you are working
 - (iii) whilst in any laundry or other trade premises for the purpose of alteration, renovation, repair, cleaning or dyeing provided that in the event of theft there was violent and forcible entry into or exit therefrom
- (B) by fire, collision and overturning of the conveying vehicle only whilst anywhere in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe or Malawi during the process of removals consequent upon a permanent change of address
- (C) by fire, lightning or explosion only whilst temporarily elsewhere in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Mozambique or Malawi.

7. Rent

We will pay additional costs incurred by you in renting alternative accommodation of a similar standard if the private dwelling is rendered uninhabitable as the result of an insured event for as long as the private dwelling is uninhabitable up to a maximum amount of 20% of the sum insured shown on the schedule.

8. Debris Removal

We will pay costs necessarily incurred with our written consent in removing debris and in providing, erecting and maintaining hoarding required during demolition, site clearing and/or building operations following destruction or damage to the contents by an insured event, provided that the total amount recoverable in respect of the insured event shall not exceed the sum insured.

9. Fire Brigade Costs

If authorities charge you with the cost of fire extinguishing following fire damage to the contents we will pay such costs.

SPECIAL PROVISIONS

No claim rebate

In the event of no claim being made or arising under this policy during a period of insurance specified below immediately preceding the renewal of this policy, the renewal premium for the insurance will be based on a claim-free group discount structure.

If claims are made or arise under this policy during a period of insurance for which the premium is based on a claim-free group such claim free group will be reduced for each claim made. For each subsequent renewal the claim free group will, if there have been no claims, increase by.

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



Section 4 – APPLIANCE REPAIR – applies only if so stated on the schedule

DEFINITIONS

Appliance

Any television, VCR, DVD player, Hi-Fi, Microwave oven, Refrigerator, Deep Freezer, Stove, Oven, Dishwasher, Washing machine or Tumble drier excluding

1. plasma or rear projection television sets
2. any ancillary and cosmetic equipment connected to the product covered such as but not limited to decoders, buttons, flaps and cabinets
3. any electrical connection or the antenna or the wiring to the appliance
4. radio or television signal decoders and aerials or remote controls
5. home theatre systems
6. personal computers, portable computers and electronic games

DEFINED EVENTS

In the event of the sudden and unforeseen electrical or mechanical breakdown of any appliance shown on the schedule we will at our option either arrange for the repair or pay for the repair of or replace the item insured.

SPECIFIC EXCLUSIONS

We will not pay for

1. breakdown occurring during a period that is covered by any warranty or guarantee
2. breakdown occurring within 12 months of the date on which the item was purchased by you as new
3. breakdown of any appliance that is used for commercial purposes
4. willful and accidental damage.
5. damage caused by rust, mould or mildew
6. damage caused by failure of the electricity or water supply to the appliance
7. obsolete spare parts or where spare parts are not readily available on certain makes of appliances such as 'grey products or grey imports'
8. breakdown of equipment that has been repaired by any person who is not qualified to do so or that has been tampered with
9. the first R250 of each and every claim
10. any spare parts utilised should the item insured require repair within the first 90 days of the inception date of this section of the policy
11. damage to loudspeakers
12. normal wear and tear.



Section 5 – DISASTER CASH – applies only if so stated on the schedule

DEFINITIONS

Employee

Your domestic servant/s named in the schedule relating specifically to this section of the policy and in respect of whom you are contributing to the Unemployment Insurance Fund or any other person employed in that person's place provided that you are making contributions to the Unemployment Insurance Fund for that person.

Home

The employee's residence not rented to others nor situated at the same address as shown under SECTION 3 - HOUSEHOLDERS (CONTENTS) Uninhabitable means that the employee is unable to live in the home for more than 48 consecutive hours.

Waiting period

30 days from the commencement date of this section of the policy.

INSURED EVENT

You may claim under this policy on behalf of the employee/s if the employee's home becomes uninhabitable after the waiting period has passed because of direct physical loss or damage to the home by fire, lightning, thunderbolt, explosion, storm, wind water hail or snow, impact, earthquake, volcanic eruption or other convulsions of nature.

AMOUNT PAYABLE

We will pay the sum insured shown on the schedule for each employee, provided that

1. the interest of the employee to receive the amount payable in terms of this section of the policy is noted
2. the interest of the employee shall rank higher than yours to receive the amount payable
3. we will pay the proceeds of the amount payable in respect of a claim directly to the employee
4. the employee may not cede or make over any such payment to you and that you may not benefit in any way from such direct payment.

SPECIFIC EXCLUSIONS

1. We will not pay for any event directly or indirectly arising out of
 - (a) quarantine or condemnation of the home because of the spread of infectious disease, unpleasant odors, allergies or any other health related hazards
 - (b) pollution or contamination, either actual or alleged
 - (c) mould, fungus or wet rot
 - (d) damage or loss caused by a known pre-existing condition in the home
 - (e) neglect or failure to take reasonable care to prevent physical destruction or loss of the home immediately before or after the occurrence of an event that gives rise to a claim
 - (f) without limiting these exclusions, any damage to the home from causes other than those expressly stated as covered in the insured event clause above
2. If we pay a claim for one insured event, the home will be eligible for cover again only after a 30 day waiting period.



Section 6 – ALL RISKS – applies only if so stated on the schedule

DEFINITIONS

Unspecified items means

1. clothing
2. personal effects, jewellery, personal ornaments, baby push carts, cameras, gold and silver articles, watches, spectacles, hearing-aids, cigarette cases and lighters, razors, pens and pencils, briefcases, handbags, compacts, trunks, bags and similar receptacles, normally carried on or about the person subject to a maximum amount of 25% of the sum insured for any single item
3. money and negotiable securities up to R1 000

belonging to you, but **excluding**

- (A) motor vehicles, trailers, caravans, air or water craft other than surfboards and paddle skis, trailers and caravans
- (B) car and portable sound and visual reproduction equipment, compact disks and tapes
- (C) contact lenses and sunglasses
- (D) pedal cycles
- (E) tools
- (F) stamp and coin collections
- (G) furs
- (H) computer equipment of any description other than calculators
- (I) portable and cellular telephones or communications equipment
- (J) global positional satellite systems
- (K) fire-arms

Caravan contents

If the schedule shows that we insure the contents of a caravan, we will pay for contents as described in the Householders (Contents) section of this policy whilst such contents are in the caravan or the attached side tent of a caravan. Claims will be settled on the basis of the new replacement price.

We will not pay for

1. theft of the caravan contents if the caravan or attached side tent is unoccupied unless there is forcible and violent entry
2. more than 25% of the sum insured or R500 whichever is the greater amount for any single item
3. the permanent fittings of the caravan
4. stamp and coin collections, money, documents, jewellery, furs or any item more specifically insured or portable telephones or communication equipment
5. loss or damage caused by fraud or dishonesty by any person to whom the caravan is on loan or hire

If at the time of loss or damage the cost of replacing the caravan contents as new is greater than the sum insured you will be your own insurer for the difference and will bear a rateable proportion of the loss or damage.

Household goods in transit means

Contents insured under the Householders (Contents) section of this policy but **excluding any item insured under Unspecified items or Caravan contents or any stamp or coin collections** whilst in transit from

1. the place of purchase or collection from the premises of any repairer or restorer of such item to the buildings described under the Householders (Contents) section of this policy.
2. the buildings described under the Householders (Contents) section of this policy to the premises of any repairer or restorer provided that such transit shall be uninterrupted.



INSURED EVENT

We will pay for accidental loss of or damage to the whole or part of the insured property occurring during the period of insurance whilst anywhere in the world but **we will not pay for**

1. the first amount shown on the schedule for each and every claim
2. the voluntary first amount payable shown on the schedule
3. loss of or damage to property resulting from or caused by
 - (A) theft from any unattended vehicle unless there was forcible and violent entry into the vehicle provided that this exclusion shall not apply to theft where the vehicle has been hijacked or has been involved in a road accident and due to circumstances beyond your control such property is left unattended.
 - (B) any process of cleaning, repairing, dyeing, altering or restoring
 - (C) the action of light or climatic or atmospheric conditions, but not storm, wind, water, hail, or snow, unless following an event which is not otherwise excluded
 - (D) inherent vice or defect, vermin, insects, damp, mould, mildew, fungi, wet or dry rot, bacteria or rust
 - (E) the wilful act or the dishonesty of any member of your family whether acting alone or in collusion with others
 - (F) detention, confiscation or requisition by customs or other officials or authorities
 - (G) wear and tear or depreciation
 - (H) mechanical or electrical breakdown, failure, breakage or derangement not accompanied by other damage
 - (I) damage to or breakage of firearms whilst in use
 - (J) damage to china, glass (including cameras or spectacle lenses) or any other material of a brittle nature not accompanied by other damage
 - (K) the special value which any item may have as part of a set or pair
 - (L) the cost of reproducing images, sounds or data on tapes, compact disks, film or other magnetic medium
 - (M) theft of any insured pedal cycle that is not securely locked to a fixed object or whilst not in a securely locked building when not in use nor for any accessory of such pedal cycle unless the whole pedal cycle is stolen at the same time
 - (N) loss of money unless accompanied by theft.

SPECIFIC CONDITIONS

1. **Basis of Settlement**

The basis upon which the amount payable is to be calculated shall be the current replacement cost of the stolen lost or damaged property with new property of the same kind or type at the date of the insured event.
2. **Average** – applies only if so stated on the schedule
If at the commencement of an insured event, the cost of replacing all of the contents as new is greater than the sum insured thereon you will be considered your own insurer for the difference and shall bear a rateable proportion of the loss.
3. **Coin or bank note collections**

If a coin or bank note collection is described on the schedule **we will not pay**

 - (A) for current coins or bank notes
 - (B) more than 65% of the value shown in any current recognised catalogue or R1 000 for any one coin or bank note whichever is the lesser amount.
4. **Stamp collections**

If a stamp collection is described on the schedule we will only be liable if one or more complete pages of the collection are lost or damaged but **we will not pay more than 65% of the value shown in any current recognised catalogue or R1 000 for any one stamp whichever is the lesser amount.**
5. **Safe Deposit**

If it is shown on the schedule that an item is in a bank, the insurance under this section will only apply while such item is contained in a safe deposit in a bank.
6. **Maintenance of Jewellery**

You must ensure that jewellery is examined by a competent jeweller to ensure that all settings are secure and a valuation must be obtained at least once every two years. If a valuation and examination certificate is not obtained, the maximum we will pay in the event of a total loss will be the value as shown on the previous valuation certificate but **if a gemstone is lost because the setting has not been so examined, we will not pay for such loss.**



Section 7 – PERSONAL ELECTRONIC EQUIPMENT – applies only if so stated on the schedule

DEFINITIONS

Property

The property specified on the schedule that belongs to you or for which you are responsible

Data

Machine-readable information

Data media

Storage media on which data has been stored and which can be exchanged by you such as removable magnetic discs, magnetic tapes and floppy discs

Buildings

The buildings described under the householders section of this policy.

DEFINED EVENTS

Physical loss of or damage to the property from any cause not hereinafter excluded occurring during the period of insurance whilst

1. at work or at rest anywhere within the buildings or temporarily elsewhere for the purpose of repair, servicing and/or maintenance
2. in transit including loading and unloading or whilst temporarily removed from the buildings to any other building
3. anywhere else in the world if the property is a laptop, palmtop or notebook computer, a PC projector or a portable printer.

SPECIFIC EXCEPTIONS

We will not pay for

1. the first amount payable as stated in the schedule of each and every occurrence giving rise to a claim
2. lightning damage or damage as a result of a power surge unless the property is protected by adequate power surge or lightning protectors
3. derangement unless accompanied by physical damage otherwise insured by this section
4. loss or damage recoverable in terms of any guarantee and/or maintenance and/or leasing agreement effected by you or on your behalf
5. faults or defects known to you at the time this insurance was arranged or during the currency of the insurance
6. wastage of material or the like or wearing out of any part of the property insured caused by or naturally resulting from ordinary usage or working or other gradual deterioration, development of poor contacts or scratching chipping or denting of painted or polished surfaces of a cosmetic nature
7. parts having a short life such as but not limited to bulbs, cathode ray tubes, fuses and sacrificial buffer circuits. If such parts are damaged as a result of physical loss or damage as provided for by this section to other parts of the property insured, we will pay you the residual value prior to the loss of such exchangeable parts
8. the cost of reinstating or reproducing data and/or programs whether recorded on cards, tapes, discs or otherwise
9. the cost of alterations, additions, improvements and overhauls carried out at the time of a repair
10. loss or damage for which the supplier, manufacturer, repairer or contractor is responsible
11. loss of or damage to property resulting from or caused by theft from any unattended vehicle unless there was forcible and violent entry into the vehicle provided that this exclusion shall not apply to theft where the vehicle has been hijacked or has been involved in a road accident and due to circumstances beyond your control such property is left unattended
12. damage or consequential loss directly or indirectly caused by, consisting of, or arising from
 - (A) any functioning or malfunctioning of the Internet or similar facility, or of any intranet or private network or similar facility
 - (B) any corruption, destruction, distortion, erasure or other loss or damage to data, software or any kind of programming or instruction set
 - (C) loss of use or functionality whether partial or entire of data, coding, program, software, any computer or computer system or other device dependent upon any microchip or embedded logic, and any ensuing inability or failure of the system to operate.

but we will pay for subsequent damage not otherwise excluded, which itself results from fire or smoke, lightning, earthquake, explosion, storm wind water or flood, impact by any vehicle or aircraft, accidental breakdown of an object including mechanical and electrical breakdown.



Basis of Settlement

The basis upon which the amount payable is to be calculated shall be the current replacement cost of the stolen lost or damaged property with new property of the same kind or type or with similar new property at the date of the insured event up to the sum insured shown on the schedule for each item insured.

Average

If at the commencement of an insured event, the cost of replacing all of the property as new is greater than the sum insured thereon you will be considered your own insurer for the difference and shall bear a rateable proportion of the loss.

OPTIONAL EXTENSION – Reinstatement of Data – applies only if so stated on the schedule

We will pay for costs and expenses necessarily and reasonably incurred by you for the reconstruction or recompilation of data and data media which is lost as a result of any defined event provided always that [we will not pay more than the sum insured shown on the schedule](#) and that such programs are licensed in accordance with the applicable copyright laws and that such data and/or programs are for personal use only.

We will not pay for

1. [data media which cannot be exchanged by you such as hard disks, semi-conductor memories and the like](#)
2. [data which is stored in the C.P.U.'s main memory only such as operating programs](#)
3. [data and/or programs not for personal use only](#)
4. [programs that are not licensed in accordance with the applicable copyright laws](#)
5. [recapturing and/or restoring the data held on the data media to a level more extensive than the data held immediately prior to the date of the insured event.](#)



Section 8 – PERSONAL LEGAL LIABILITY – applies only if so stated on the schedule

INSURED EVENT

General Liability

We will pay all amounts which you become legally liable to pay as damages consequent upon accidental

1. death of or Bodily Injury to or illness of any person
2. loss of or damage to tangible property

occurring anywhere in the world during the period of insurance provided that our liability for all damages in respect of any one event **shall not exceed the amount stated on the schedule** inclusive of any costs and expenses that may have been incurred by you with our written consent and costs and expenses recoverable from you by any claimant.

Tenants Liability

We will pay all amounts which you become legally liable to pay as a tenant and not as an owner of the buildings consequent upon accidental loss of or damage to:

1. the buildings described under Section 3 – Householders (Contents) of this policy and its fixtures and fittings
2. water, gas, sewerage, electricity and telephone connections between the buildings and the public supply or main
3. any other building that is temporarily occupied by you and which is in your care custody or control.

SPECIFIC EXCLUSIONS

We will not pay for

1. damage to property belonging to you or in your custody or control or belonging to or in the custody or control of any member of your family or any person in your employ
2. injury to any member of your family who normally reside with you or to any person in your employ and arising out of and in the course of their employment
3. liability directly or indirectly attributable to your employment, business or profession
4. liability caused by or through or in connection with any advice or treatment of a professional nature other than first aid treatment
5. liability caused by or through or in connection with the ownership, possession or use by or on your behalf of any mechanically propelled vehicle (other than a pedal cycle, lawnmower or any pedestrian controlled garden equipment), caravan, trailer or any aircraft (other than as a passenger having no right of control) or watercraft but not excluding liability consequent upon injury or damage arising beyond the limits of any carriageway or thoroughfare in connection with the loading or unloading of any vehicle unless such injury or damage is covered by another insurance policy
6. liability arising out of ownership or possession of land or buildings unless the buildings themselves are insured by this policy
7. liabilities arising from seepage pollution or contamination unless arising from a sudden unforeseen cause, or mould, fungi, wet or dry rot or bacteria other than bacteria in any foodstuffs
8. fines, penalties, punitive, exemplary or vindictive damages.

PARTNERSHIPS, CLOSE CORPORATIONS AND COMPANIES OR TRUSTS

If you are a Close Corporation, a Business Partnership or a Company or Trust, **we will not pay for legal liability to members, partners, directors or trustees of such entity nor to their families who normally reside with them.**

SPECIFIC EXTENSIONS

1. Domestic Employees

If you employ domestic workers we will insure you for your legal liability to pay for damages as the result of the accidental death of or bodily injury to such domestic employee but **we will not pay for any liability arising out of any industrial disease.**

2. Security Firms

General Exclusion 6 does not apply to any liability assumed under a written agreement entered into with any company whilst actually rendering a security or armed response service. If at the time of an occurrence giving rise to a claim the security company is entitled to indemnity under any other policy in respect of the same event **we shall not be liable to make any payment except in respect of any amount above the amount payable under such other policy.**

3. Emergency Medical Expenses

We will indemnify you for all reasonable expenses incurred for any emergency treatment that may be necessary at the time of an accident causing bodily injury to any person who may bring a claim against you in terms of this section of the policy.



Section 9 – LIABILITY PLUS – applies only if so stated on the schedule

INSURED EVENT

In the event of our admitting a claim under either

1. Section 8 – Personal Legal Liability or
2. Section 13 – Motor or
3. Section 14 – Small Leisure Craft or
4. if a claim is admitted under any other motor or small leisure craft policy issued outside the Republic of South Africa in respect of any vehicle or small leisure craft hired or used by you

we will pay the difference between the amounts payable in terms of

- (A) such sections of this policy or
- (B) any other motor or small leisure craft policy issued outside the Republic of South Africa in respect of any vehicle or small leisure craft hired or used by you

and the total amount you become legally liable to pay provided that **we will not pay more than the amount shown on the schedule** inclusive of any costs and expenses you may have incurred with our written consent and costs and expenses recoverable from you by any claimant.



Section 10 – PERSONAL ACCIDENT – applies only if so stated on the schedule

INSURED EVENT

If the event of an accident that directly and within 24 months of the date of such accident causes or results in the death disappearance or injury of an insured person anywhere in the world we will pay the benefit shown in the table of benefits

MAXIMUM AMOUNT PAYABLE

1. The maximum amount payable in respect of any insured event for any one accident to the insured person is stated in the table of benefits
2. The amount payable in respect of death of children shall be limited to that which is allowed by current legislation at the date of death
3. In the event of the insured person having more than one accident policy with us, the accidental death benefits shall be added together **and shall not exceed R2 500 000.**

DEFINITIONS

Accident

A sudden unexpected and specific event which results in death or injury.

Date of loss

The date of the accident.

Disappearance

In the event of the disappearance of an insured person and if it is probable that such insured person has died or is legally declared dead by a court of law as a result of an accident the Death Benefit will be paid after 24 consecutive months of such disappearance. If it is discovered that the Insured Person has not died the benefit so paid will be repaid to us by the beneficiary/ies or legal representative/s.

Injury

A bodily injury or physical trauma to an insured person resulting from an accident occurring solely directly and independently of any other cause or any physical defect or infirmity existing prior to the accident. Bodily injury or physical trauma caused by exposure to the elements of nature as a direct result of an accident will be deemed to be injury.

Insured Person

The person named on the schedule who must be less than 70 years old on the inception date of this policy or more than 10 years old.

Permanent total disablement

Total and absolute disablement which entirely prevents an insured person from engaging in or giving attention to his usual occupation or any occupation for which the insured person is qualified or has received specialised training and which will in all probability be lasting and continuous for the lifetime of the insured person.

The diagnosis and determination of the permanent total disablement must be made by a physician and must be continuous and permanent for at least 24 consecutive months from the onset of the disablement. Documented evidence of the incident that caused the permanent total disablement is required. The degree of permanent total disablement will be determined immediately after it is established or as soon as it can reasonably be assumed that there will be no further improvement or worsening of the insured person's condition in consequence of the accident, but not later than 24 months from the date of loss.

Permanent and total loss

The loss by physical severance or the total and permanent loss of use of an arm or a leg or a hand or a foot.

Permanent insanity

The insured person being diagnosed as permanently and incurably insane as a direct result of an accident according to the usual and customary standards of the registered medical profession.

Two medical practitioners must have examined the insured person and concur in their medical opinion that the insured person is permanently and incurably of unsound mind and incapable of managing his own affairs. A written statement to this effect must have been signed by them in the presence of 2 identifiable witnesses who are neither employed by the practitioners nor related to the insured person by blood or marriage nor any person who would be entitled to any portion of the estate of the insured person.

Professional player

An insured person who earns in excess of 50% of his income from playing sport.

**Professional sport**

A sport which remunerates a player as a means of livelihood.

Total blindness

The complete and irrecoverable loss of sight.

Loss of sight will be deemed to have occurred if the degree of sight remaining after correction is 3/60 or less on the Snellen scale.

Total loss of hearing

The complete and irrecoverable loss of hearing of all sounds confirmed by medical evidence relying on audio-metric and sound-threshold tests.

Total loss of speech

The complete loss of power of mastication and speech function which must be established for a continuous period of 24 consecutive months.

Medical evidence must confirm injury to the vocal chords. All psychiatric related causes are excluded. Loss of speech will mean the inability to make a comprehensible word or an understandable verbal language.

Total paralysis

The complete and permanent loss of use of arms or legs, or 1 arm and 1 leg, through paralysis.

The diagnosis and determination that loss of use is permanent must be made by a physician and must be continuous and permanent for at least 24 consecutive months from the onset of the paralysis. Documented evidence of the incident that caused the paralysis is required.

Terrorist act for the purposes of this section of the policy only

Active involvement in any actual or threatened use of force or violence directed at or causing damage, injury, harm or disruption, or commission of an act dangerous to human life or property, against any individual, property or government, with the stated or unstated objective of pursuing economic, ethnic, nationalistic, political, racial or religious interests whether such interests are declared or not.

Robberies or other criminal acts, primarily committed for personal gain and acts arising primarily from prior personal relationships between perpetrator/s and victim/s will not be considered terrorist acts.

Terrorism will also include any act which is verified or recognised by any relevant government as an act of terrorism.

War for the purposes of this section of the policy only

War whether declared or not, or any warlike activities, including use of military force by any sovereign nation to achieve economic, geographic, nationalistic, political, racial, religious or other ends.

SPECIFIC EXCLUSIONS

We will not pay for death, disappearance or injury resulting from

1. service or duty with or undergoing training with any military or police force, or militia or paramilitary organization
2. any criminal or illegal act committed by an insured person
3. travel by air except as a passenger on a legally licensed commercial aircraft
4. self-inflicted injury, suicide, or attempted suicide, insanity or any acute and/or chronic psychiatric, psychological or emotional condition
5. caused by or traceable to or prolonged by or otherwise affected by any congenital abnormalities, physical defect, infirmity or condition existing prior to the effective date of this policy
6. childbirth, abortion, miscarriage, pregnancy or any condition arising therefrom except as a result of injury
7. dental or optical treatment except as a result of injury
8. the insured person
 - (A) being under the influence of alcohol, drugs or narcotics unless such drugs or narcotics were administered by a medical practitioner (other than the insured person) or unless prescribed by and taken in accordance with the directions of a medical practitioner (other than the insured person)
 - (B) driving a motor vehicle and having more than the legal limit of alcohol in his blood or breath.
the onus will rest upon the insured person or the beneficiaries to prove that (A) or (B) was not the cause of the accident
9. the insured person participating in any professional sport as a professional player



10. the insured person engaging
 - (A) in motor cycling where the engine capacity exceeds 200cc or a quadri-cycle or tricycle or if the insured person is a passenger or a driver or rider on a motor cycle, quadri-cycle or tricycle which is under control of an unlicensed driver
 - (B) steeple chasing, polo or horseback riding
 - (C) hunting
 - (D) bungee jumping, handgliding, parachuting, abseiling, white water rafting
 - (E) hiking unless accompanied by a recognised guide or mountaineering
 - (F) scuba diving unless licensed and/or accompanied by a qualified instructor or potholing
 - (G) fighting except in bona-fide self defence
 - (H) racing other than on foot or under sail in in-land waters or speed or endurance racing or practice thereof other than athletics
 - (I) any hazardous pursuits or activities or pastimes
11. the insured person's wilful or deliberate exposure to danger except in an attempt to save human life
12. engaging in underground occupational activities or occupational activities requiring the use of explosives
13. any terrorist act or bomb incident or threat thereof
14. the dispersal or application by you or the insured person of pathogenic or poisonous biological or chemical materials.

SPECIFIC CLAIMS CONDITIONS

1. The insured person must submit to medical examination on our behalf and at our expense as often as will be required in connection with any claim
2. Qualified medical advice must be sought and followed promptly on the occurrence of any injury. **We will not pay for that part of any claim which in the opinion of our medical adviser arises from the unreasonable or wilful neglect or failure of an insured person to seek or follow or remain under the care of a qualified medical practitioner**
3. If an insured person dies as a direct result of a road traffic accident of which the cause or the consequence could be a heart attack we will consider the accident as an insured event.

TERMINATION OF BENEFITS

This section of the policy will terminate in respect of an insured person

1. on attainment of the age of 75 years
2. on the date that payment of a benefit is made

TABLE OF BENEFITS

Item No	Injury resulting in	SUM INSURED
1.	Accidental death (including disappearance).....	The sum insured shown on the schedule
2.	Permanent total disablement	100% of the sum insured shown on the schedule
3.	Permanent and total paralysis of all limbs	100% of the sum insured shown on the schedule
4.	Permanent and incurable insanity	100% of the sum insured shown on the schedule
5.	Loss of entire sight of both eyes	100% of the sum insured shown on the schedule
6.	Permanent total loss of use of both hands or both feet	100% of the sum insured shown on the schedule
7.	Loss of entire sight of one eye	50% of the sum insured shown on the schedule
8.	Permanent total loss of use of one hand or one foot	50% of the sum insured shown on the schedule
9.	Loss of speech	50% of the sum insured shown on the schedule
10.	Permanent total loss of hearing in	
	(A) both ears	50% of the sum insured shown on the schedule
	(B) one ear	25% of the sum insured shown on the schedule
11.	Maximum amount payable any one person insured.....	100% of the sum insured shown on the schedule

SPECIFIC PROVISOS

1. We will **not be liable to pay any compensation for permanent total disablement of an insured person over 65 years of age unless in active employment at the date of loss**
2. We will **not pay more than the sum insured per person** when more than one injury arises from one accident
3. Should the consequences of an accident be aggravated owing to an insured person's existing ailment infirmity or other abnormal physical or mental condition determination of the compensation will be based on the consequences the accident would have had had such defects not existed. The foregoing will not apply however if such circumstances are a consequence of an earlier accident to the insured person for which compensation has been or still has to be paid under this policy
4. In the event of an insured person dying as a result of natural causes prior to the final disability assessment relating to an insured event we will pay what we otherwise would have paid for such insured event.



Section 11 – IDENTITY THEFT – applies only if so stated on the schedule

INSURED EVENT

In the event of identity theft which takes place during the period of insurance we will pay up to the amounts stated on the schedule for

1. reasonable legal expenses incurred by you as a direct result of identity theft in
 - (A) defending any suit brought against you by a creditor or collection agency or someone acting on their behalf
 - (B) removing any civil or criminal judgment wrongfully entered against you and
 - (C) challenging the accuracy or completeness of any information in your consumer credit report provided this information is inaccurate and falsely provided to the credit agency or financial institution
2. income lost by you due solely to time taken from your business other than if you are self employed but not including compensation for whole or partial unpaid workdays and not for vacation days or sick days provided that these unpaid workdays are taken during the period of insurance or within 12 months of this policy's expiration date
3. your actual loss for your legal obligation to pay a creditor if, as part of your identity theft, any payment cards, bank accounts, and other credit accounts were opened in your name without your authorisation
4. miscellaneous expenses
 - (A) costs incurred by you for re-filing applications for loans or other credit or debit accounts that are rejected solely because the lender received incorrect information
 - (B) costs for notarising documents related to your identity theft, long distance telephone calls, and certified mail reasonably incurred as a result of your efforts to report an identity theft or to correct your financial and credit records that have been altered
 - (C) costs incurred to contest the accuracy or completeness of any information contained in your credit history
 - (D) costs incurred by you for a maximum of 4 credit reports from an entity approved by us. The credit reports shall be requested during the policy period or the extended claim period. The first credit report may not be requested until after the discovery of the identity theft.

DEFINITIONS

You and Your

For the purpose of this section of the policy only you and your means the person named on the schedule and your legal spouse or dependent children under the age of 21, who permanently reside with you

ATM

Automatic teller machine

Business

Your employment, trade, profession or occupation

Payment Card

An ATM card, credit card, or debit card issued by a registered financial institution or qualified retail shop

Identity Theft

The unauthorised and/or illegal use of your personal information such as your name or identity number to obtain a loan or open credit accounts

Relative

Someone who is related to you including but not limited to spouses, siblings, children and parents

Suit

A civil proceeding seeking monetary damages as a result of identity theft or a criminal proceeding in which you are charged with illegal acts omitted by any person other than you whilst using your identity

Extended claim period

The 12 month period following the end of the period of insurance or such other time that we may agree in writing



FIRST AMOUNT PAYABLE

You will be responsible for paying the first amount shown on the schedule for any one claim or series of claims in any one 12 month period of insurance.

SPECIFIC EXCEPTIONS

We will not pay for any expenses or loss as a result of

1. any dishonest, criminal, malicious or fraudulent acts committed by you or a relative, or that you or a relative had knowledge of or planned, or if you withhold information or conceal material facts related to this policy or to your identity theft
2. losses that result from business pursuits
3. fraudulent payment card charges and bank transfer charges if they are not related to your identity theft
4. any physical injury, sickness, disease, disability, shock, mental anguish and mental injury including required care, loss of services or death
5. identity theft that occurred or commenced before the start of the policy period
6. the reimbursement of fees for stolen payment cards if you have not complied with all terms and conditions under which the cards were issued
7. monetary losses other than the out-of-pocket expenses related to resolving the identity theft as contemplated by this policy including fraudulent payment card charges.

SPECIFIC CLAIMS CONDITIONS

1. The account must have been opened in your name without your authorisation
2. You must notify your local law enforcement agencies and file a police report within 24 hours of discovering the theft
3. Any false charge or withdrawal must be verified by your financial institution. Cover for false charges is limited to the amount for which you are held liable by the financial institution subject to the maximum amount shown on the schedule
4. We shall be permitted to inspect your books and financial records
5. You will cooperate with us and help us to enforce any legal rights you or we may have in relation to your identity theft including your attendance at depositions, hearings and trials, and giving evidence as necessary to resolve your identify theft
6. You must
 - (A) notify your bank(s), payment card company(s), financial institution(s) and other accounts of the identity theft within 24 hours of discovering the identity theft
 - (B) if you make a claim for lost wages, submit proof from your employer that you took unpaid days off, and you must have this information notarised. You must also provide proof that it was necessary to take time away from work
 - (C) send us copies of any demands, notices, summonses, complaints, or legal papers received in connection with a covered loss
 - (D) take all reasonable and prudent action to prevent further damage to your identity.



Section 12 – KIDNAP AND ABDUCTION CONSULTANTS COSTS – applies only if so stated on the schedule

DEFINITIONS

Informant

Any person other than you who provides information not otherwise obtainable solely in return for a reward offered by you

Kidnap

Seizure, detention or carrying away by force or fraud for the purpose of demanding ransom monies or any other benefit or conduct

Terrorist act (for the purposes of this section of the policy only)

Active involvement in any actual or threatened use of force or violence directed at or causing damage, injury, harm or disruption, or commission of an act dangerous to human life or property, against any individual, property or government, with the stated or unstated objective of pursuing economic, ethnic, nationalistic, political, racial or religious interests whether such interests are declared or not. Robberies or other criminal acts, primarily committed for personal gain and acts arising primarily from prior personal relationships between perpetrator/s and victim/s will not be considered terrorist acts

Terrorism will also include any act which is verified or recognised by any relevant government as an act of terrorism

War (for the purposes of this section of the policy only)

War whether declared or not, or any warlike activities, including use of military force by any sovereign nation to achieve economic, geographic, nationalistic, political, racial, religious or other ends.

INSURED EVENT

If during the period of insurance you are kidnapped or are alleged to have been kidnapped anywhere in the world we will pay the reasonable fees and expenses of Clayton Consultants who will guide you through the negotiation and handling of the kidnap or allegation of kidnap or the wrongful detention

SPECIFIC EXCLUSIONS

We will not pay

1. more than the sum insured shown on the schedule
2. any ransom monies
3. for kidnap or alleged kidnap
 - (a) if you have violated the laws of any country in which such act takes place
 - (b) if such act takes place outside the Republic of South Africa and you have not evacuated such country within 10 days of any issuance of a government advisory to do so
 - (c) if you travel to any country outside the Republic of South Africa after any issuance of a government advisory to not travel to such country
 - (d) if you take part in any political activity outside the Republic of South Africa or the operations of any governmental organisation or non-governmental organisation (NGO) official law enforcement or military force
 - (e) directly or indirectly by any terrorist act or war

CONFIDENTIALITY

You will use all reasonable efforts not to disclose the existence of the insurance by this section of the policy

CONTACT NUMBERS IN THE EVENT OF A CLAIM UNDER THIS SECTION OF THE POLICY

In the event of a claim under this section of the policy, please contact any of the following call centres

TOLL FREE IN THE USA AND CANADA
COLLECT FROM ANYWHERE IN THE WORLD

1-866-WANT-HLP (866) 926-8457
1-713-260-5500



Section 13 – MOTOR – applies only if so stated on the schedule

DEFINITIONS

Occurrence

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 section of the policy.

Vehicle

The vehicle or vehicles that are described below and that are shown on the schedule and that are

1. owned, hired or leased by you
2. any vehicle operated by you as a replacement for such vehicle whilst out of use for the purpose of overhaul, upkeep or repair provided that our maximum liability shall not be more than the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated on the schedule

and that are one of the following

- (A) cars including station wagons, safari vans, estate cars, motorised caravans and the like or similar vehicles designed to seat not more than 10 persons including the driver
- (B) light commercial vehicles with a gross vehicle mass not exceeding 3500kg
- (C) motor cycles including motor scooters and tricycles and quadri-cycles
- (D) motorised wheelchairs
- (E) trailers being any vehicle without the means of self-propulsion designed to be drawn by a self propelled vehicle
- (F) caravans including their permanent fixtures and fittings and side tents

including their accessories and spare parts whilst thereon but excluding any parts or accessories of trailers not permanently attached to such trailers.

Market value

The market value for the purpose of sub-section A shall be the retail price as quoted in Trans Union publications current at the time of the loss or if any vehicle is not referred to in such publication the reasonable price at which the vehicle can be replaced with a vehicle of similar age and condition at the time of the loss to the vehicle insured

Car radio

Any kind of radio or sound reproduction equipment including speakers and aerials

Communication equipment

Any kind of two-way radio or hands-free car kits for cellular telephones including speakers

Territorial limits

The Republic of South Africa, Namibia, Botswana, Zimbabwe, Malawi, Mozambique, Lesotho, and Swaziland including transit by sea or by air between ports or places in these territories including loading and unloading incidental to such transit

SUB-SECTION A – LOSS OR DAMAGE

Defined events

If your vehicle shown on the schedule is lost or damaged during the period of insurance we will, at our discretion

1. pay for the cost of repairs to your vehicle or
2. replace your vehicle or pay you its reasonable market value at the time of the loss or damage if it is damaged beyond economical repair or if it is lost or stolen or
3. pay you the amount of the loss or damage to your vehicle

provided that

- (A) we will not pay more than the sum insured shown for each vehicle on the schedule less the first amount payable
- (B) you will be responsible for the first amount payable in respect of each and every claim
- (C) if we have incurred any expenditure that includes any first amount payable by you, such first amount payable shall be refunded by you to us forthwith
- (D) we will not pay more than R3 000 less the first amount payable for theft or attempted theft of any car radio or communication equipment that was not supplied by the manufacturers of the vehicle when new
- (E) you may give instructions for repairs to be executed without our prior consent up to an amount of R3 000, provided that a detailed estimate is first obtained and immediately forwarded to us
- (F) if to our knowledge 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 us in respect of such loss or damage.



We will also pay

- (i) the reasonable cost of taking your vehicle to the nearest suitable repairer
- (ii) the reasonable cost of returning it to you following a claim within the territorial limits

Replacement value provision

If the vehicle was purchased by you as new within 12 months of an event giving rise to a claim, we may at our option either pay for a replacement vehicle or pay you the current new replacement cost of the vehicle provided that

1. the vehicle was lost or stolen and not recovered
2. the cost of repairs exceeds 60% of the amount for which it is insured
3. **the vehicle has not been driven more than 30 000 kilometres since new**
4. **we will not pay more than the amount for which it is insured less the first amount payable.**

The lost, stolen or damaged vehicle will then belong to us.

First amount payable

If your vehicle is damaged or lost or stolen, you will be responsible for the first amount payable as stated on the schedule provided that such amounts shall not apply to claims resulting from fire, lightning or explosion.

Exclusions to Sub-section A

We will not pay for

1. 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
2. damage to tyres by application of brakes or by road punctures, cuts or bursts
3. damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities
4. detention, confiscation or requisition by customs or other officials or authorities

SUB-SECTION B – LIABILITY TO THIRD PARTIES

Defined events

We will pay all amounts that you become legally liable to pay for

1. accidental death of or bodily injury or illness to any person
2. accidental loss of or damage to property

including costs and expenses for which you may be legally liable or which you may incur with our written consent during the period of insurance following an accident caused by or through or in connection with any vehicle described on the schedule

We will also

- (A) be entitled at our 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 our total liability under both this extension and sub-section B shall not exceed the limit of indemnity stated to apply to sub-section B
- (B) indemnify any person who is driving or using such vehicle on your order or with your permission provided that
 - (i) such person shall, as though he were you, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply
 - (ii) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer
 - (iii) **indemnity shall not apply in respect of claims made by any member of the same household as such person or employed by such person and injured during the course of their employment**
 - (iv) such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder
- (C) indemnify you while personally driving or using any vehicle as defined not belonging to you and not leased or hired to you under a lease or suspensive sale agreement, provided **we shall not be liable for damage to the vehicle being driven or used**
- (D) indemnify you 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), but **we will not pay for damage to the towed vehicle or trailer or to property therein or thereon.**



Exceptions to sub-section B

We will not pay for

1. legal liability arising from
 - (A) death of or bodily injury to any person employed by you arising from and in the course of such employment
 - (B) death of or bodily injury to a member of your household
 - (C) damage to property belonging to you or held by you in trust or in your custody or control or being conveyed by, loaded onto or unloaded from such vehicle
 - (D) death of or injury to any person being carried in or on or entering or getting onto or alighting from any caravan, trailer or motor cycle, quadri-cycle or tricycle
 - (E) death of or injury to any person being carried in or on or entering or getting onto or alighting from any part of any vehicle other than a permanently enclosed passenger carrying compartment of a such vehicle
2. 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
3. that portion of any amount exceeding the limits of liability shown on the schedule in respect of each and every occurrence

SUB-SECTION C – MEDICAL EXPENSES

If an occupant in the passenger carrying compartment of a vehicle sustains bodily injury by violent, accidental, external and visible means, we will pay to you the medical expenses incurred as a result of such injury up to R5 000 per injured occupant but not more than 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 compulsory motor vehicle insurance 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.

If more than one vehicle is described in the schedule to this policy, the Claim-Free Group Discount shall be applied as if a separate policy had been issued in respect of each such vehicle.

SPECIAL PROVISIONS

No claim rebate

In the event of no claim being made or arising under this policy during a period of insurance specified below immediately preceding the renewal of this policy, the renewal premium for the insurance of the vehicle/s will be based on a claim-free group discount structure.

If claims are made or arise under this policy during a period of insurance for which the premium is based on a claim-free group such claim free group will be reduced for each claim made. For each subsequent renewal the claim free group will, if there have been no claims, increase.

Should we consent to a transfer of interest in this policy, the period during which interest was in the transferor shall not accrue to the benefit of the transferee.

Spare Parts Clause

If any parts required for the repair of a vehicle are not available in South Africa or if such parts are obsolete we will pay the cost of such parts or accessories shown in the last catalogue or price list issued or published by the manufacturers or agents.

EXTENSIONS

1. Windscreen extension

The provisions of this section relating to first amount payable and No Claim Rebate shall not apply to any payment for damage to windscreen glass, side or rear glass forming part of any vehicle provided that

- (A) no other damage has been caused to the vehicle giving rise to a claim under the policy
- (B) **you shall be responsible for the first amount payable (applicable to glass)** stated in the schedule of each and every loss except if the windscreen glass, side or rear glass forming part of any vehicle is repaired and not replaced.

2. Loss of keys extension

We will pay for 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 up to an amount of R5 000, following upon the disappearance of any key or alarm controller of such vehicle or following upon your having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that the provisions of this section relating to first amount payable and No Claim Rebate shall not apply to this extension.

3. Fire extinguishing charges extension

Any costs (**not exceeding R10 000**) relating to the extinguishing or fighting of fire shall be deemed to be damage to the vehicle and shall be payable in addition to any other payment for which we may be liable in terms of this section, provided you are legally liable for such costs and your property was in danger from the fire.

4. Wreckage removal extension

The cover provided under sub-section A of this section is extended to include costs and expenses incurred by you 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 up to an amount of R2 000 in addition to any costs of removing the vehicle to the premises of a repairer.

5. Emergency travel expenses

If your vehicle is lost or stolen or is damaged so that it cannot be driven and if such loss theft or damage occurs more than 200km from your usual residence, we will pay any hotel expenses you may incur up to an amount of R500 per day per passenger or the expenses you actually incur in returning home up to a maximum amount of R2 000.

6. Credit shortfall extension

If any total loss settlement under sub-section A is less than the amount owing to the financier under a current installment sale or lease agreement, we will pay to such financier an additional amount equal to the shortfall less

- (A) any arrears installments or rentals including interest payable on arrears
 - (B) the increased installments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled
 - (C) the first amount payable under sub-section A
- provided always that
- (i) **the total of all amounts payable shall not exceed the sum insured on the vehicle less the first amount payable under sub-section A**
 - (ii) **this endorsement shall not apply to an agreement whereby the amount of any single installment other than the final residual amount after the initial payment differs by more than 10% from any other installment**
 - (iii) **if such shortfall is as a result of a re-advance under an installment sale or refinancing in terms of a lease the insurance by this extension shall be void.**

7. Loss of use following theft

If the vehicle is stolen we will hire a vehicle with an engine capacity not exceeding 1 600 cm³ for you for a maximum period of 30 days provided that

- (A) cover in terms of this extension **will not apply during the first 3 working days from the time of the theft** and shall be subject to our having admitted a valid claim
- (B) the period of hire shall cease at the time that either
 - (i) the vehicle is recovered and returned to you or
 - (ii) the vehicle is returned to you after any repairs that may be necessary if there was damage to the vehicle following recovery of the vehicle or
 - (iii) the day we settle your claim

The terms of such hire shall **exclude any fuel deposits, delivery or collection costs or administration costs chargeable by the vehicle hire firm** and shall be subject to the standard terms and conditions of the vehicle hire firm.



WARRANTY OF ROADWORTHINESS / COMPLIANCE

It is warranted that your vehicle is and will at all times be kept in a condition which complies with any legislation or regulation relating to the roadworthiness or operation of vehicles in the territory in which your vehicle is being used

DESCRIPTION OF USE

The vehicle may be used only in accordance with the description of use shown on the schedule which description shall mean

1. **Social domestic and pleasure only use**
Use for social domestic and pleasure purposes only
2. **Social domestic and pleasure use including journeys to and from work**
Use for social domestic and pleasure purposes and for journeys to and from your usual place of employment
3. **Social domestic, pleasure and professional use including journeys to and from work**
Use for social domestic, pleasure business and professional purposes and for journeys to and from your usual place of employment but **excluding commercial travelling**
4. **Social domestic, pleasure and professional and commercial travelling use including journeys to and from work**
Use for social domestic, pleasure, professional and business purposes including commercial travelling and for journeys to and from your usual place of employment

The vehicle may not be used for

- (A) hiring
- (B) carriage of goods for reward or for the carriage of trade goods on a goods carrying vehicle for business purposes
- (C) carriage of passengers for hire or carriage of fare paying passengers
- (D) carriage of explosives or bulk inflammable liquids or gasses or other dangerous goods
- (E) carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry
- (F) driving tuition for reward
- (G) any purpose on any racing or test track or skid pan or racing speed or other contests, rallies, trials
- (H) any purpose in connection with the motor trade. The indemnity to you 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.

If a vehicle insured by this policy is in the custody or control of a member of the motor trade for the purpose of its overhaul, upkeep or repair and another vehicle that is also insured by this policy is used in its place, such substitute vehicle may be used for the same purposes as the vehicle that is undergoing such overhaul, upkeep or repair.

LIFT CLUBS

If the vehicle is used as part of a lift club for social or commuting purposes, such use will not be regarded as carriage of passengers for reward but only if

1. payments received are solely to cover the contribution on a pro-rata basis of the passengers to the cost of operating the vehicle
2. the passengers are not being carried in the course of a business involved in the transport of passengers.

OPTIONAL EXTENSION

Loss of use following accidental damage but not theft – if stated in the schedule to be included

If the vehicle is damaged other than by theft or any attempt thereat we will hire a vehicle with an engine capacity not exceeding 1 600 cm³ for you for a maximum period of 30 days provided that

1. cover in terms of this extension **will not apply during the first 3 working days from the time of the event giving rise to the claim** and shall be subject to our having admitted a valid claim
2. the period of hire shall
 - (A) commence not later than 3 days from the time the vehicle was delivered for repairs
 - (B) cease
 - (i) on the day the vehicle is returned to you after repairs have been completed or
 - (ii) if the claim is treated as a total loss claim, on the day we settle your claim

The terms of such hire **shall exclude any fuel deposits, delivery or collection costs or administration costs chargeable by the vehicle hire firm** and shall be subject to the standard terms and conditions of the vehicle hire firm.



OPTIONAL LIMITATIONS

Comprehensive excluding theft – if stated in the schedule to be applicable

Our liability under sub-section A is restricted solely to damage to the vehicle and excludes any damage or loss by theft or any attempt thereat

Total loss only – if stated in the schedule to be applicable

1. SUB-SECTION A - LOSS OR DAMAGE is amended to read as follows:

If your vehicle shown on the schedule is damaged during the period of insurance and the cost of repairs exceeds 70% of its market value or if it is stolen or hi-jacked and not recovered within 30 days of such theft or hi-jack we will replace your vehicle or at our discretion pay you its market value at the time of the theft or hi-jack or damage provided that

- (A) we will not pay more than the sum insured shown for each vehicle on the schedule less the first amount payable
- (B) if we have incurred any expenditure that includes any first amount payable by you, such first amount payable shall be refunded by you to us forthwith
- (C) we will not pay for any car radio or communication equipment that was not supplied by the manufacturers when the vehicle was new
- (D) if to our knowledge 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 us in respect of such loss or damage

- 2. Sub-section B - LIABILITY TO THIRD PARTIES is deleted
- 3. Sub-section C - MEDICAL EXPENSES is deleted
- 4. SPECIAL PROVISIONS is deleted
- 5. Extensions 1, 2, 5, 7 and OPTIONAL EXTENSION are deleted

Third party, fire and theft only limitation – if stated in the schedule to be applicable

- 1. Our liability 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
- 2. Sub-section C, Extensions 1, 2, 4, 5, 6 and 7 and the No-Claim Rebate provisions are cancelled

Third party and fire – if stated in the schedule to be applicable

- 1. Our liability under sub-section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion
- 2. Sub-section C, Extensions 1, 2, 4, 5, 6 and 7 and the No-Claim Rebate provisions are cancelled

Third party only limitation – if stated in the schedule to be applicable

Sub-sections A and C, Extensions 1, 2, 4, 5, 6 and 7 and the No-Claim Rebate provisions are cancelled

Total loss Third party only – if stated in the schedule to be applicable

1. SUB-SECTION A - LOSS OR DAMAGE is amended to read as follows:

If your vehicle shown on the schedule is damaged during the period of insurance and the cost of repairs exceeds 70% of its market value or if it is stolen or hi-jacked and not recovered within 30 days of such theft or hi-jack we will replace your vehicle or at our discretion pay you its market value at the time of the theft or hi-jack or damage provided that

- (A) we will not pay more than the sum insured shown for each vehicle on the schedule less the first amount payable
- (B) if we have incurred any expenditure that includes any first amount payable by you, such first amount payable shall be refunded by you to us forthwith
- (C) we will not pay for any car radio or communication equipment that was not supplied by the manufacturers when the vehicle was new
- (D) if to our knowledge 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 us in respect of such loss or damage

- 2. Sub-section C - MEDICAL EXPENSES is deleted
- 3. SPECIAL PROVISIONS is deleted
- 4. Extensions 1, 2, 5, 7 and OPTIONAL EXTENSION are deleted

SPECIFIC EXCEPTIONS

We will not pay for any accident, injury, loss, damage or liability

- 1. whilst the vehicle is being used with your general knowledge and consent otherwise than in accordance with the description of use
- 2. incurred outside the territorial limits
- 3. incurred while any vehicle is being driven by
 - (A) you 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 yourself) or if you have more than the legal limit of alcohol in your blood or breath
 - (B) any other person with your general consent who, to your 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 if such person has more than the legal limit of alcohol in their blood or breath or who is not licensed to drive such vehicle but this shall not apply if you were unaware that the driver was unlicensed and you can prove to our satisfaction that, in the normal course of your business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles.



- (C) you or by any other person with your consent who to your knowledge does not hold a current licence to drive the vehicle. 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 in territorial limits, 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.

SPECIFIC CONDITION

1. Drivers License

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

2. Tracking Warranty

If it is shown on the schedule that a tracking system is installed in a vehicle, it is warranted that such tracking system is maintained in working condition and a contract for the tracking and recovery of such vehicle is in force at all times, unless you can show that cancellation of the contract as a result of failure to pay the fee to the tracking company was an error on the part of the bank or other paying agent.

Section 14 – SMALL LEISURE CRAFT – applies only if so stated on the schedule

DEFINITIONS

Vessel

Means the vessel described on the schedule comprising the hull, fittings, machinery, engines, rigging, masts, gear and equipment such as would normally be sold as one unit but **excluding**

- (A) power craft with a maximum speed exceeding 130 kilometres per hour or 65 knots or more than ten metres in overall length
- (B) boating, yachting or crew's clothes and other effects
- (C) diving and fishing gear
- (D) food, and other stores
- (E) binoculars, sextants
- (F) nautical books, maps and portable navigating equipment
- (G) trailers other than launching dollies

Motors

Means the inboard and outboard motors of the vessel specified on the schedule

Territorial limits

The Republic of South Africa, Lesotho, Swaziland, Zimbabwe, Malawi, Botswana and Namibia or within a 20 nautical mile range of the shores of such territories

SUB SECTION A – LOSS OR DAMAGE

Insured Event

Theft, loss, stranding or accidental damage to the vessel and its motors whilst

1. afloat at sea, in ports and rivers or on inland waters including docking, undocking, launching and hauling out and whilst being towed or towing water-skiers or vessels or crafts in distress provided that such towage or salvage service is not undertaken in terms of a contract previously arranged by or on your behalf or any other party
2. in transit by road, rail, sea or air including loading and unloading
3. ashore

within the territorial limits

SPECIFIC EXTENSIONS

In addition to any other payment under this section we will pay

1. the expenses of sighting the bottom after the vessel has been stranded, sunk or in collision, if reasonably incurred specially for that purpose, even if no damage be found
2. the salvage charges incurred in preventing a loss by any peril stated in this sub-section
3. the costs and expenses reasonably incurred in minimising or averting a loss which would have resulted in a claim under this sub-section.

SPECIAL EXCEPTIONS

We will not pay for

1. the cost of making good any defect resulting from either negligence or breach of contract in respect of any repair or alteration work carried out for your account or in respect of maintenance
2. theft or any attempt thereat unless
 - (A) the entire vessel is stolen or
 - (B) if any part of the vessel is stolen other than outboard motors, such theft is accompanied by actual forcible and violent breaking into or out of

- (i) unattended vessels, motor or other vehicles
 - (ii) residential outbuildings not directly communicating with any private residence or any other place of storage
- (C) if any outboard motor is stolen, such outboard motor is securely locked to the hull by an anti-theft device in addition to the normal method of attachment
- 3. dropping off or falling overboard of the vessel's outboard motor(s) unless it is securely fastened to the vessel by a chain or other safety device in addition to the normal method of attachment
- 4. loss or damage directly or indirectly caused by or through or contributed to by wear and tear, depreciation, deterioration from use or occasioned by mould, moth or vermin, rust
- 5. mechanical or electrical breakdowns, failures or breakages
- 6. motors, electrical machinery, batteries and their connections (with exception of the shaft and propeller) including metalling or repairs there to unless caused by
 - (A) the vessel being stranded, sunk, burnt, on fire, in collision or in contact with any external substance (including ice but excluding water)
 - (B) explosion, earthquake, riot, strike, civil commotion, malicious acts, aircraft and other aerial devices or articles dropped therefrom
 - (C) theft subject to the provisions of special exception 2
- 7. loss of or damage to protective covers split by the wind unless caused by the vessel being stranded, sunk, burnt, on fire or in collision or in contact with any external substance (including ice but excluding water)
- 8. damage resulting from scratching or bruising and/or denting and the cost of consequent repainting or revarnishing arising during transit or during loading or unloading
- 9. any loss or expenditure incurred solely in remedying a fault in design or in the event of damage resulting from faulty design and giving rise to a claim under the conditions of this insurance, for any additional expenditure incurred by reason of betterment in design, or for the costs and expenses of replacing or repairing any part condemned solely in consequence of a latent defect or fault or error in design or construction
- 10. loss of or damage to the vessel which is attributable to submerged objects under the water

SPECIAL CONDITIONS

1. First amount payable

If the vessel is damaged or lost or stolen, you will be responsible for the first amount payable as stated on the schedule

2. Basis of claim settlement

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

- (A) if the vessel was manufactured, built or purchased as new less than 5 years before the date of loss or damage the cost of replacement or reinstatement with property of the same kind or type but **not superior to or more expensive than the insured property when new**
- (B) if the vessel was manufactured, built or purchased as new more than 5 years before the date of loss or damage the reasonable cost of replacing, reinstating or repairing the insured property but **not exceeding the reasonable market value** of such property at the time of such loss or damage

provided that

- (i) **we will not pay more than the sum insured shown on the schedule for any one event nor more in total than such sum during any one period of insurance**
- (ii) deductions on account of new material replacing old may be made at our discretion in respect of loss or damage to protective covers, sails, rigging and outboard motor(s), inboard motor(s), batteries and machinery
- (iii) in the event of loss of or damage to the vessel our liability in respect of any new parts which may be required as a result of such loss or damage and which are unobtainable in the Republic of South Africa or are obsolete in pattern, shall be limited to the value of such parts at the time of the loss or damage but not exceeding the manufacturer's last issued catalogue or price list for such parts
- (iv) **we will not pay for glitter and/or decorative and/or similar finish unless specifically stated otherwise on the schedule**
- (v) **we will not pay for sails and rigging damaged by wind whilst in use**
- (vi) **we will not pay for unrepaired damage in addition to a subsequent total loss sustained during the period of insurance**

3. Average

If at the commencement of an insured event, the cost of replacing the vessel or the motors is greater than the sum insured thereon you will be considered your own insurer for the difference and shall bear a rateable proportion of the loss

Subject at all times to the provisions of special condition 2 above which shall be taken into account in calculating the value of the property at the time of such loss or damage.

SUB SECTION B – LIABILITY – applies only if so stated on the schedule

Insured event

We will pay all amounts you may become legally liable to pay as compensation following an accident or series of accidents arising from one single event occurring during the period of insurance within the territorial limits caused by or through or in connection with the vessel up to the amount shown on the schedule inclusive of costs and expenses for which you may be legally liable or which you may incur with our written consent in respect of

1. Liability to third parties

- (A) death of or bodily injury to or illness of any person



(B) loss of or damage to property including loss of or damage to piers, docks, wharves and jetties and the cost of any attempted or actual raising, removal or destruction of the wreck of the vessel or neglect or failure to raise, remove or destroy it arising out of the use of or caused by the vessel

2. Liability to passengers

(A) death of or bodily injury to or illness of

(B) loss of or damage to the property of

any person whilst such person is travelling upon the vessel or embarking thereon or disembarking therefrom provided that such person is not transported for reward.

3. Liability to water-skiers

(A) death of or bodily injury to or illness of any person

(B) loss of or damage to the property of any person

whilst such person is engaged in water skiing or whilst being towed or preparing to be towed or after being towed by the vessel until safely on board such vessel

4. Liability of water-skiers

We will pay all sums which any person who is engaged in water skiing or whilst being towed or preparing to be towed or after being towed by the vessel until safely on board such vessel may become legally liable to pay as compensation in respect of

(A) death of or bodily injury to or illness of any person

(B) loss of or damage to the property of any person

provided that

(i) such water-skier is not entitled to indemnity under any other policy

(ii) such water-skier shall as though he were you fulfil and be subject to the terms, exceptions and conditions of this sub-section in so far as they can apply.

Costs, expenses and extensions

The cover in respect of this sub-section is extended to include

1. the expenses incurred by you by reason of your interest in the vessel in connection with official enquiries and inquests.
2. legal costs incurred in defending any action or contesting liability provided that such costs and expenses are incurred with our written consent.
3. all sums for which you shall become legally liable to pay in connection with accidents due to or alleged to be due to first aid treatment administered or made available by you provided that **any liability in respect of wrongful diagnosis is expressly excluded.**

Special exceptions applicable to sub section B

We will not pay for

1. death of or bodily injury to or illness of
 - (A) any person as a result of any food or drink supplied by you
 - (B) any member of your household
 - (C) any person employed by you arising out of and in the course of such employment
2. loss of or damage to property
 - (A) in your charge, custody or control or held in trust by you or on your behalf
 - (B) conveyed or about to be conveyed in or on the vessel and/or trailer except in respect of property belonging to passengers and water-skiers provided that liability to water-skiers is included in the cover provided by this sub-section
3. claims for compensation in respect of fare-paying passengers
4. accidents arising whilst the vessel is in transit by road or attached to a motor vehicle or has broken away or become accidentally detached from a motor vehicle including any liability which is the subject of indemnity under any form of motor vehicle insurance (whether such insurance is required by any law or not) notwithstanding that no such insurance is in force or has been affected

SUB SECTION C – MEDICAL EXPENSES

We will pay for doctors' or surgeons' fees up to R500 in the aggregate for emergency attendance to you as a direct result of the vessel sinking or being in collision with another vessel or in contact with any external substance (including ice but **excluding water**).

SPECIAL EXCEPTIONS APPLICABLE TO THE WHOLE OF THIS SECTION

We will not pay for loss, damage, expense or liability of whatsoever nature directly and/or indirectly

1. caused by or contributed to by or arising whilst the insured vessel is being navigated or driven by or is in the charge of a person under the age of 16 years unless such person is accompanied by an experienced navigator over 18 years of age



2. incurred while any vessel is being used with your knowledge and consent otherwise than in accordance with the description of use
3. incurred whilst the insured vessel is being navigated or driven by
 - (A) you 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 yourself) or while you are not complying with any relevant legislation or regulations
 - (B) any other person with your general consent who, to your 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 while such person is not complying with any relevant legislation or regulations
4. caused by or contributed to by or arising from
 - (A) capture, seizure, arrest, restraint or detainment and the consequences thereof or any attempt thereat, nor from the consequence of hostilities or warlike operations, whether war be declared or not but this exception shall not exclude collision
 - (B) contact with any fixed or floating object (other than a mine or torpedo), stranding, heavy weather or fire unless caused directly (and independently of the nature of the voyage or service which the vessel concerned or, in case of collision, any other vessel involved therein, is performing) by a hostile act by or against a belligerent power. For the purpose of this exclusion "power" includes any authority maintaining naval, military or airforces in association with a power
 - (C) piracy
 - (D) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause 4 (A) and 4 (B) above

If we allege that by reason of clauses 4 (A) to 4 (D) above, loss or damage is not covered by this section, the burden of proving the contrary shall rest on you.

SPECIFIC CONDITIONS APPLICABLE TO THE WHOLE OF THIS SECTION

Navigation by other persons

We will also indemnify any other person whilst navigating or whilst in charge of the vessel on your order or with your permission other than

- (A) a person operating or employed by the operator of a shipyard, repair yard or slipway
- (B) a person operating or employed by a yacht or motor boat club, sales agency or similar organisation

provided that

- (i) such person is not entitled to indemnity under any other policy
- (ii) such person shall as though he were you observe, fulfil and be subject to the terms, exceptions and conditions of this section in so far as they can apply
- (iii) such person has not been refused yacht or motor boat insurance or continuance thereof by any other insurance company or underwriter.

Due diligence

You shall take all reasonable steps to maintain the vessel, trailer and other property insured by this policy in a proper state of repair and in a sea- and roadworthy condition and shall at all times exercise all reasonable precautions for the safety of such property and to prevent loss, damage and accidents.

Description of use

The vessel may be used for social, domestic and pleasure purposes excluding

1. use in connection with any business, trade or profession or whilst the vessel is let out on hire or charter
2. use for racing or speed tests or any trials in connection therewith other than a sailing vessel whilst being used in a formal regatta arranged by a sailing or yacht club

Claims

The following are added to general condition 7

1. Notification of claims
Should the geographical and cruising limits be extended by endorsement immediate notice must be given to the nearest Lloyd's Agent in the event of an occurrence taking place within such extended limits.
2. Repairs and tenders
We shall be entitled to decide the port to which the vessel shall proceed for docking or repair in which event we will pay for the additional expense of the voyage arising from compliance with our requirements. We shall have a right of veto concerning the place of repair or repairing firm and may also take tenders or may require tenders to be taken for the repairs of the vessel or other property insured.
3. Reinstatement
We may at our option reinstate or replace any part of the vessel lost or damaged instead of paying the amount of the loss or damage in money. Reinstatement effected as nearly as reasonably practicable will be deemed to be sufficient notwithstanding that the former



appearance and condition of the property may not be precisely restored. If we elect to reinstate or replace, you shall provide us with all such plans specifications and information as may be deemed necessary or expedient for the purpose.

4. Constructive total loss

In ascertaining whether the vessel is a constructive total loss the insured value shall be taken as the repaired value, and nothing in respect of the damaged or break-up value or wreck shall be taken into account. No claim for constructive total loss based upon the cost of recovery and/or repair of the vessel shall be recoverable hereunder unless such cost would exceed the insured value.

5. Sisterships

Should the vessel come into collision with or receive salvage services from another vessel belonging wholly or in part to you, you shall have the same rights under this section as you would have were the other vessel entirely the property of owners not interested in the vessel, but in such cases the liability for the collision shall be referred to a sole arbitrator to be agreed upon between you and us.

Assignment

Assignment of or interest in this section or in any moneys which may be or become payable hereunder will not be recognised by or binding on us unless a dated notice of such assignment or interest signed by you and (in the case of subsequent assignment) by the assignor be endorsed on this section and the section with such endorsement be produced before payment of any claim or return of premium hereunder but nothing in this clause to have effect as an agreement by us to a sale or transfer to new ownership.

Hire purchase

If to our knowledge the vessel is the subject of a hire purchase or similar agreement payment shall be made to the owner described therein whose receipt shall be a full and final discharge to us in respect of such loss or damage.

Laid up periods

No return of premium shall be allowed in respect of periods during which the vessel may be laid up.

OPTIONAL EXTENSION – applies only if so stated on the schedule

Submerged objects under the water

Special Exception 10 of sub section A – loss or damage is deleted.



SASRIA LIMITED

Reg. No. 1979/00287/06

NON-MOTOR COUPON POLICY FOR SPECIAL RISKS INSURANCE

In consideration of the prior payment of the premium stated in the Schedule and the receipt thereof by or on behalf of Limited, (hereinafter called SASRIA) and subject to the insurers policy being current and valid at the effective date as stated in the Schedule, SASRIA will by payment or at its option by reinstatement or repair indemnify the insured during the Period of Insurance up to an amount not exceeding the total sum insured in respect of each item and not exceeding in the aggregate during the said Period of Insurance, the total insured value, or the aggregate limits of liability as stated in the proviso hereunder, whichever is the less against loss of or damage to the property insured directly related to or caused by:

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

NOTE:

In this Coupon Policy, the term "Public Disorder" shall be deemed to include civil commotion, labour disturbances or lockouts.

PROVIDED that:

Notwithstanding anything to the contrary, where One Insured is insured by one or more current and valid insurance (other than Contract Works and/or Construction Plant and or Motor) issued by or on behalf of SASRIA, the aggregate liability of SASRIA under all such Insurances shall be limited to the sum of R300 million, during a calendar year where the property insured is in the Republic of South Africa.

For this purpose ONE INSURED shall mean:

Any Single One Insured, or a Holding Company and all its Subsidiaries (as contemplated exclusively by the Companies Act, 1973).

In the case of One Insured other than Companies, SASRIA reserves the right to determine who the One Insured is for this purpose.

PROVIDED FURTHER that this insurance does not cover:

- (a) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured, which shall be limited to a period not exceeding that required to render the building tenable;
- (b) loss or damage resulting from total or partial cessation of work, or the retardation or interruption or cessation of any process or operation;
- (c) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisitioning by any lawfully constituted authority.
- (d) **NUCLEAR/CHEMICAL/BIOLOGICAL TERRORISM EXCLUSION**
it is agreed that, regardless of any contributory cause(s), this insurance does not cover loss(es) in any way caused or contributed to by an act of terrorism involving the use or release or the threat thereof of any nuclear weapon or device or chemical or biological agent.

For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and / or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious or personal purposes or reasons including the intention to influence any government and /or to put the public, or any section of the public in fear.

If it is alleged that by reason of this exclusion any loss(es) is not covered by this Coupon / Policy the burden of providing the contrary shall be upon the insured.



SPECIAL CONDITIONS

1. It is a condition precedent to any liability that at the time of the happening of any occurrence given rise to a loss in terms of this Coupon Policy there shall be in force the Nominated Insurer's Policy covering the interest of the Insured in all the property insured by this Coupon Policy against loss or damage by fire.
2. All the terms, conditions, exclusions, exceptions and warranties applicable to the Nominated Insurer's Policy, other than:
 - (a) Exception 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
 - (b) the Burden of Proof Clause set out in Exception A to the extent that such Clause refers to the Exceptions listed in (a) above;
 - (c) any excess, deductible or similar payment to be met by the Insured in terms of the Nominated Insurer's Policy;

shall be deemed to be incorporated in this Coupon Policy and shall as a condition precedent to any liability hereunder relate to and be complied with by the Insured accordingly.

Memorandum

The reference to Exceptions A(i), A(iii)(b), A(v), A(vi) and A(vii) and to the Burden of Proof Clause in Exception A is a reference to those Exceptions as they appear in the Standard S.A.I.A. Exceptions which the Nominated Insurer is obliged to incorporate in his Policy. Should the numbering in the Nominated Insurer's Policy not correspond with the numbering of the Standard S.A.I.A. Exceptions the above references shall apply to the corresponding Exceptions in the Nominated Insurer's Policy *mutatis mutandis*.

3. If the property covered in terms of the attached Schedule shall at the commencement of any destruction of or damage to such property by any peril insured hereby be collectively of greater value than the total sum insured stated herein, then the Insured shall be considered as his 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 consideration.
4. Any adjustment of Premium Clause or Condition in the Nominated Insurer's Policy shall not be applicable to this Coupon Policy.
5. No alteration of this Coupon Policy is valid unless signed by a Director of SASRIA
6. Any Reinstatement Value Conditions in the Nominated Insurers Policy shall be applicable to this Coupon Policy except insofar as it relates to Motor Vehicles.
7. The cover granted by this Coupon Policy shall apply to property situated in the Republic of South Africa.



SASRIA LIMITED

Reg. No. 1979/00287/06

MOTOR POLICY OF INSURANCE FOR SPECIAL RISKS in respect of property as defined THE POLICY

DEFINITIONS

1. Wherever the term "SASRIA" is used it shall refer to SASRIA Limited.
2. Wherever the word "property" is used it shall be deemed to mean any motor car or vehicle, trailer, implement or machine of any description for specific operational purpose with or without means of self-propulsion capable of being driven or towed on any road and any accessories or spare parts whilst thereon.

WHEREAS the Insured has paid the premium stated in the Schedule to this Policy (which schedule shall form an integral part of this Policy) to SASRIA as consideration for the insurance hereinafter contained in respect of loss or damage occurring during the Period of Insurance stated in the Schedule of this Policy.

NOW this Policy declares subject to the terms, exceptions and conditions contained herein that SASRIA will indemnify the Insured against loss of or damage to the property described in the Schedule directly related to or caused by:

- (i) any act (whether on behalf of any organisation, body, 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;
- (ii) 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;
- (iii) any riot, strike or public disorder, or any act of activity which is calculated or directed to bring about a riot, strike or public disorder;
- (iv) any attempt to perform any act referred to in clause (i), (ii) or (iii) above;
- (v) the act of any lawfully established authority in controlling, preventing suppressing or in any other way dealing with any occurrence referred to in clause (i), (ii) (iii) or (iv) above.

Note: In this Policy, the term "Public Disorder" shall be deemed to include civil commotion, labour disturbances or lockouts.

SASRIA may at its option repair or replace such property or any part thereof or may pay in cash the amount of the loss or damage not exceeding the reasonable market value of the property insured in the Schedule of this Policy subject always to Condition 8 of this Policy. If the property insured is the subject of a hire purchase or similar agreement and the seller or lessor (hereinafter referred to as the "Owner") is interested in any monies which would be payable to the Insured under this Policy in respect of loss of or damage to the property insured (which loss or damage is not made good by repair or replacement) such monies shall if so requested in writing be paid to the said Owner and/or to the Insured to the extent of their respective interests as long as they are interested in the said property, and their receipt shall be a full discharge of SASRIA in respect of such loss or damage. Save as herein expressly provided nothing herein shall modify or affect the rights and liabilities of the Insured or SASRIA under or in connection with this Policy or any condition or term thereof.

In the event of any part accessory or fitment of whatsoever nature needed to repair or replace damage to the property insured being unprocurable in the Republic of South Africa, as a standard ready manufactured article or in the event of any such article being denied to the Insured for any reason the liability of SASRIA shall be met by the payment of a sum equaling the value of the said article at the time of the loss or damage but not in any case exceeding the manufacturer's last list price operative in the Republic of South Africa.

If the property insured under this Policy is disabled by reason of any loss or damage SASRIA will pay the reasonable cost of protection and removal to the nearest repairers. SASRIA will also pay the reasonable cost of the delivery to the Insured after repair of such loss or damage not exceeding the reasonable cost of transport to the address of the Insured in the Republic of South Africa.



EXCEPTIONS

This Policy does not cover:

1. Consequential Loss from any cause whatsoever, depreciation of any nature which shall also mean diminution in value howsoever arising of the insured property consequent upon its having sustained damage insured against and continuing after the repair of such damage wear and tear and mechanical or electrical breakdown failure or breakage.
2. Loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisitioning by any lawfully constituted authority.
3. 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 any War Damage Insurance and Compensation legislation.
4. Any loss or damage related to or caused by:
 - (i) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - (ii) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege;
 - (iii) the act of any lawfully established authority in controlling, preventing, suppressing, or in any other way dealing with any occurrence referred to in clause (i) or (ii) above.
5. Any claims arising out of any liability assumed by the Insured by agreement, unless such liability would have attached to the Insured in the absence of such agreement.
6. Any loss or destruction of or damage to any property whatsoever or any loss or expense whatsoever resulting or arising therefrom or consequential loss directly or indirectly caused by or contributed to by or arising from ionising radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion of nuclear fuel. For the purpose of this exception only combustion shall include any self-sustaining process of nuclear fission. The indemnity provided by this Policy shall not apply to nor include any loss, destruction or damage directly or indirectly caused by or contributed to by or arising from nuclear weapons material.
7. **NUCLEAR/CHEMICAL/BIOLOGICAL TERRORISM EXCLUSION**

it is agreed that, regardless of any contributory cause(s), this insurance does not cover loss(es) in any way caused or contributed to by an act of terrorism involving the use or release or the threat thereof of any nuclear weapon or device or chemical or biological agent. For the purpose of this exclusion an act of terrorism means an act, including but not limited to the use of force or violence and / or the threat thereof, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s) or government(s), committed for political, religious or personal purposes or reasons including the intention to influence any government and /or to put the public, or any section of the public in fear.

If it is alleged that by reason of this exclusion any loss(es) is not covered by this Coupon / Policy the burden of providing the contrary shall be upon the insured.

CONDITIONS

1. **Claims Procedure**

On the happening of any loss or damage the Insured shall as soon as reasonably possible give notice thereof in writing to the NOMINATED INSURER. The Insured shall give to the Company all such proofs and information in connection with the claim as may reasonably be required.
2. **Subrogation**

The Insured shall at the request and at the expense of SASRIA do and concur in doing and permit to be done all such acts and things as may be necessary or reasonably required by SASRIA for the purpose of enforcing any rights and remedies or of obtaining relief or indemnity from other parties to which SASRIA shall be or would become entitled or subrogated upon its paying for or making good any loss or damage under the Policy, whether such acts or things shall be or become necessary or required before or after the indemnification by SASRIA.
3. **Contribution**

If at the time any claim arises under this Policy there is any other existing insurance covering the same loss or damage SASRIA shall not be liable to pay or contribute more than its rateable share of any loss or damage.
4. **Precautions**

The Insured shall take all reasonable steps to safeguard against loss or damage to the Property described in the Schedule to this Policy.
5. **Transfer**

Nothing contained in this Policy shall give any rights against SASRIA to any person other than the Insured. SASRIA shall not be bound by any passing of the interest of the Insured otherwise than by death or operation of law.

6. Arbitration

- (a) If any difference shall arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference shall be referred to Arbitration in accordance with the Arbitration laws for the time being in force in the Republic of South Africa, and at such place as SASRIA may determine.
- (b) Where any difference or dispute is in terms of paragraph (a) above to be referred to Arbitration the award of the Arbitrator(s) shall be final and binding and the making of such award shall be a condition precedent to any right of action against SASRIA under this Policy.

7. Limitation

In no case whatsoever shall SASRIA be liable under this Policy after the expiration of 12 months from the happening of the event unless the claim is then the subject of Arbitration, or Court proceedings already instituted.

8. Average

If the property insured hereby shall at the commencement of any destruction or damage to such property be of greater value than the total value on risk appearing in the Schedule to this Policy in the case of the Motor Dealer or Fleet Owner then the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly.

9. Total Loss of Property

If any motor car or other vehicle described in the definition of "property" above be treated as a total loss by SASRIA then all cover in terms of this Policy shall terminate in respect of such motor car or vehicle from the date of such total loss and no refund of premium shall be payable to the Insured.

10. Premium

Notwithstanding that the Period of Insurance stated in the Schedule to this Policy may be less than 12 months the minimum premium payable by the Insured shall be the full annual premium.

11. Validity

This Policy shall not be valid unless countersigned by the Nominated Insurer.

12. Alteration of Use of Property Insured

SASRIA shall not be liable in respect of any loss of or damage to the property if at the time of such loss or damage the property was being used by the Insured or any person acting with the knowledge of the Insured in any manner which would ordinarily have required the property to be insured in a higher rated category than that used for determining the premium shown in the Schedule.

13. Territorial Limitation

The cover is restricted to property within the Republic of South Africa.

14. Cancellation

This Policy may be cancelled at any time at the request of the Insured but in such cases no refund or pro-rata refund of premium shall become payable.

15. Fraud

If the claim be in any respect fraudulent and if any fraudulent means or devices be used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy and if any destruction or damage be occasioned by the willful act and with any connivance of the Insured, all benefit under this Policy shall be forfeited.

16. Misrepresentation

This Policy shall be voidable in the event of any material misrepresentation, misdescription or non-disclosure.

17. Reporting Claims to Authorities

All events which may give rise to a claim in terms of this policy must be reported to the South African Police as soon as reasonably possible.



Bring on tomorrow