



**FIRST PROPERTY ACCEPTANCES
HOMEOWNERS
POLICY**

GENERAL

1. Specific exclusions and conditions shall override general exclusions and conditions.
2. This policy and the schedule constitute the contract between Centriq Insurance Limited (hereinafter called we/us/our/The Company) and the Insured/co-insured stated in the schedule (hereafter called you / your / yourself / co insured). Any application or statement made by you personally, or by any of your co-insured on your behalf, will form the basis of this policy and be part thereof.
3. The schedules and any endorsements thereto and the policy wording shall be read together, and any word or expression to which a specific meaning has been given in any part thereof shall bear such meaning wherever it may appear.
4. Provided the required premium has been received and subject to the terms, exclusions and conditions of the policy, The Company will indemnify you by payment or, at our discretion, by replacement during the period of insurance stated in the schedule. The Company will not be obliged to replace or repair exactly, but only as circumstances reasonably allow. The Company will not pay more than the amount of cover stated in the schedule.
5. Unless specifically stated to the contrary, the general conditions, exclusions and definitions apply to the policy as a whole.
6. Payments on account may be made to you at The Company's discretion.
7. If The Company is holding covered on a risk we will not reject a claim on the grounds that the premium has not been agreed.

GENERAL CONDITIONS

1. Annulment of policy

- a) The Company may declare this policy or any part thereof null and void if any material details affecting the risk are not disclosed or are misrepresented by you, or by your co-insured on your behalf, or if we are not informed of any alteration in risk by you or by your co-insured on your behalf.
- b) Whereby your interest ceases except by operation of Law unless such alteration has been agreed to by us.
- c) You are in breach of a warranty or condition.

2. Cancellation

This policy or any section may be cancelled at any time by our giving thirty (30) days notice in writing (or such other period as may be mutually agreed) or by you giving immediate notice. On cancellation by you, The Company shall be entitled to retain the customary short period or minimum premium for the period the policy or section has been in force. On cancellation by The Company, you shall be entitled to claim a portion of the premium for the remainder of the period of insurance from the date of cancellation.

3. Claims

- 3.1 If an insured event results in a claim or may result in a claim, you must notify us thereof as soon as possible and inform us of any other policy covering the same event.
- 3.2 You must supply The Company with full details of the insured event within thirty (30) days of its occurrence and furnish any documentation, which we may reasonably require.
- 3.3 Any occurrence involving theft or any other criminal act or loss must be reported to the police immediately.
- 3.4 If more than one person is covered we may, at The Company's discretion, make payment in respect of any claim to any such persons following which we will be discharged from any further liability.
- 3.5 You may not make any statement, admission, offer, promise, or payment or give indemnity without our written consent. Another person may also not do so on your behalf.
- 3.6 You must give immediate notice in writing of any claim or any communication, writ, summons, or other legal process issued or commenced against you concerning the event giving rise to a claim.
- 3.7 If, after the payment of a claim in terms of this policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, you shall render all assistance in the identification and physical recovery of such property if called on to do so by us, provided that your reasonable expenses in rendering such assistance shall be reimbursed by us. Should you fail to render assistance in terms of this condition when called upon to do so, you shall immediately become liable to repay to us amounts paid in respect of the claim.

4. Duty of care

You must exercise all reasonable precautions for the maintenance and safety of the insured property, as well as the prevention or minimization of loss or damage.

5. Excess

Under some policy sections, you are liable for the first part (excess) of any amount payable in respect of an insured event resulting in a claim. The applicable excesses are stated under each section or in the schedule of insurance attaching to and forming part of this policy.

6. Fraudulent or willful acts

All rights of indemnity under this policy will be forfeited if:

- 6.1 a claim is in any respect fraudulent or if fraudulent means are used by you, or by any co-insured on your behalf, to obtain any benefit under the policy;

- 6.2 a claim in any way occurs as a result of any willful acts committed by you or with your connivance;
- 6.3 false information is furnished in respect of any claim;
- 6.4 willful exposure to needless peril occurs except in an attempt to save human life

7. Jurisdiction

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

8. Limitations and amendments

The Company may introduce limitations and amendments to the policy contract by giving you thirty (30) days written notice thereof to your last known address.

9. Other insurance

If a claim payable under this policy is also covered under another policy, The Company will only pay our rate-able portion of the loss or damage.

10. Our rights following an insured event

- 10.1 You must allow The Company to enter the building or premises where the loss or damage occurred, to take possession of the damaged insured property, and to deal with it in any reasonable manner. You are not entitled to abandon any property to us, whether we took possession of it or not.
- 10.2 You must supply all information and assistance reasonably required by The Company and The Company has the right to take over the defence or settlement of a claim and conduct it in your name.
- 10.3 The Company has the right to relinquish control of any defence, settlement or proceedings at any time and to pay the full amount of our liability to you, or any lesser amount for which the claim can be settled, following which we will be discharged from any further liability.

11. Payment of premium by debit order

The premium is payable in advance and must be submitted to The Company by The Company's paying agent via debit order request. If the monthly debit order is not honoured by your paying agent, cover will remain in force and two debit orders will be submitted to the paying agent at the next premium request date, one in respect of the unpaid debit order and one for the new month. If two debit orders are submitted to your paying agent and only one is paid, this money will be used to clear the first premium that is outstanding. If a claim occurs during the period of insurance in respect of which the debit order has been dishonoured, you will be required to settle the amount outstanding before your claim will be processed. The policy will be cancelled with effect from the first due date of the premiums not paid when premiums for two consecutive periods of insurance are outstanding and The Company will not submit any further premium payment requests to your paying agent. In this case, the preceding paragraph shall not apply. If the policy is paid annually in advance by means of one debit order and that debit order is returned unpaid, your cover will remain in force for another month. The debit order for the unpaid premium will be submitted again during the next month. If it is

rejected again, the policy will be cancelled. Besides a debit order, cheque, cash, or any other recognized means may be used to pay the premium directly to The Company.

12. Period of insurance

Initially the period of insurance is the period starting with the inception date of the policy and ending on the last day of the calendar month in which the inception date occurs. Thereafter the period of insurance is deemed to be one calendar month. For annual policies, the period of insurance starts with the date of inception of the policy and ends on the last day of the twelve (12) consecutive months immediately thereafter.

13. Prescription

- 13.1 If The Company rejects a claim, you will have ninety (90) working days from the date of rejection to institute legal proceedings against us, failing which our liability in respect of the claim will cease.
- 13.2 We shall not be liable after the expiry of one hundred and eighty (180) working days of the date of the insured event giving rise to the claim unless the claim is the subject of a pending court action between us, or the subject of arbitration, or it is a claim for sums which you may become legally liable to pay.

14. Reinstatement of the sums insured

The sums insured under this policy will not be reduced by the amount of any claim. However, The Company retains the right to charge an additional premium on the amount of the loss from the date thereof or from the date of reinstatement or replacement (whichever is later) to the expiry of the period of insurance.

15. Rights and remedies (subrogation)

You must do, or permit to be done, all such things that may be necessary, or reasonably required by The Company, to enforce any rights that The Company shall be, or become, subrogated to upon indemnification to you, whether such things shall be required before indemnification or thereafter.

16. Rights to you only

- 16.1 This policy gives rights to you only. Any extension of The Company's liability towards another person gives no right of claim to such person. You must claim on behalf of such person following which we will take over and handle the matter on your behalf.
- 16.2 You may not cede your rights to anyone.

17. Sharing of information

In order to combat insurance fraud and evaluate and properly underwrite risks, the South African Insurance Association (SAIA) has created a shared database for storing policyholders' insurance information. Information sharing will contribute significantly to limiting insurance fraud and to assess risks fairly, thus protecting the interests of all policyholders. This condition permits The Company to store your information in the shared database and to verify any underwriting information against legally recognized sources or data-bases. Your right to privacy is a fundamental right that is included in the South African Constitution. This right can, however, be restricted in certain circumstances. These circumstances include cases where both parties revealing the

information and the parties who are privy to it have a legal interest in that information. This means that in terms of South African law, The Company may reveal and or receive information if The Company intends using it to prevent fraud and to underwrite risks fairly.

Your authorisation

You acknowledge that the sharing of information for underwriting and claims purposes (including credit information) between insurers is in the public interest as it enables insurers to underwrite policies and assess risks fairly and to reduce the incidence of fraudulent claims with a view to limiting premiums. On your own behalf and on behalf of any person you represent herein, you hereby waive your right to privacy with regard to any underwriting and claims information (including credit information) that you provide or that is provided by another person on your behalf in respect of any insurance policy or claim made or lodged by you. You acknowledge that the insurance information provided by you may be stored in the shared database and used as set out above as well as for any decision pertaining to the continuance of your policy or the meeting of any claim you may submit. You consent to such information being disclosed to any other insurance company or its agents. You acknowledge that the information may be verified against legally recognized sources or databases.

18. Collective insurance

If this insurance is a collective insurance then the following amendment is made to General Condition 3 above:

“give the leading insurer on behalf of the insurers such proofs, information and sworn declaration as may be required and forward to the leading insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against you in connection with the event giving rise to the claim.”

In addition, General Condition 10 is substituted by the following:

18.1 Our rights following an insured event

- (a) On the happening of any event in respect of which a claim is or may be made under this policy, the leading insurer and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the insurers to rely upon any conditions of this policy:
 - (i) take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and license of you to the lead insurer on behalf of all insurers to do so. You shall not be entitled to abandon any property to the insurers, whether taken possession of by the leading insurer or not;
 - (ii) take over and conduct in your name the defence or settlement of any claim and prosecute in your name for its own benefit any claim for indemnity or damages or otherwise, and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. You shall make no admission, statement, offer, promise, payment or indemnity without the written consent of the leading insurer;

- (b) You shall, at the expense of the insurers, do and permit to be done all such things as may be necessary or reasonably required by the insurers for the purpose of enforcing any rights to which the insurers shall be or would become subrogated upon your indemnification, whether such things shall be required before or after such indemnification.
- (c) In respect of any section of this policy under which an indemnity is provided for liability to third parties, the insurers may, in the case of any event, pay you the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the insurers shall thereafter not be under further liability in respect of such event.”

19. Value added Tax (VAT)

DEFINITION

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

VAT-INCLUSIVE CONDITION

It is understood and agreed that the monetary amounts as reflected in the sums insured and/or limits of indemnity shall be applied to:

the indemnity or amounts payable in terms of this policy and to which sums the terms, provisions, conditions and limitations of this policy shall apply; and value-added tax at the current rate as promulgated in legislation relating thereto.

Subject to such sums insured/limits of indemnity being adequate to embrace the amounts reflected under (A) and (B) above, The Company will, to the extent that you are accountable to the tax authorities for value-added tax in respect of any payment in terms of this policy, include the amount of such tax in the final settlement of any claim in terms of the policy, provided that the total amount payable for any defined event and the value-added tax related thereto shall not exceed the sum insured/limit of indemnity set against such defined event.

In circumstances referred to herein under which you are required to bear the first amount of any loss (Excess), such amount shall also be inclusive of value-added tax in like manner to the sum insured/limit of indemnity referred to above.

Further, in the event of a change in the rate of VAT during the period of insurance, sums insured, limits of indemnity and, if appropriate, premiums shall be adjusted automatically.

SPECIAL CONDITIONS

1. Interpretation of policy wording

Should any dispute arise in respect of any language interpretation in the policy wording, the English version will apply.

2. Proof of ownership

The Company may require reasonable proof of ownership of any item or article that is the subject of a claim.

GENERAL EXCLUSIONS

The Company is not liable for a claim due to the following:

1. War, Riot & Terrorism

- 1.1 loss of, or damage, to property, or bodily injury related to, or caused, by:
 - 1.1.1 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 afore-going
 - 1.1.2 war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war
 - 1.1.3 (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
 - 1.1.4 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
 - 1.1.5 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
 - 1.1.6 any attempt to perform any act referred to in Exclusion 1.1.4 or 1.1.5 above
 - 1.1.7 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in Exclusion 1.1.1, 1.1.2, 1.1.3, 1.1.4, 1.1.5 or 1.1.6 above.

If we allege that, by reason of clauses 1.1.1, 1.1.2, 1.1.3, 1.1.4, 1.1.5, 1.1.6 and 1.1.7 of this exclusion, loss or damage is not covered by this policy, you must prove the contrary.

- 1.2 This policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (Act no. 85 of 1976), or any similar Act operative in any of the territories to which this policy applies.
- 1.3 Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override

a general exclusion, loss of or damage to property or bodily injury or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage, bodily injury or expense.

For the purpose of this General Exclusion 1.3, an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.

If The Company alleges that, by reason of clause 1.3 of this exclusion, loss or damage is not covered by this policy, you must prove the contrary.

2. Nuclear Weapons and Radiation

Except for the Fidelity section, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by or contributed to by or arising from:

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

regardless of any other cause or event contributing concurrently or in any other sequence to the loss. For the purposes of this exclusion only, combustion shall include any self-sustaining process of nuclear fission.

- 3. Consequential or indirect loss or damage.
- 4. Liability that you or a co-insured assumes by agreement unless you or a co-insured would have been liable even if the agreement did not exist.
- 5. No amount shall be payable in terms of Section B (Property Insurance) in the event of actual physical loss of, or damage to insured property by any of the perils specified in Section B, notwithstanding that the insured property has been deemed to have been destroyed in terms of Section 48 of the Insurance Act and the provisions of that Section shall not apply regarding application and / or interpretation of this policy.

6. Computer Losses

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

- 1. loss, or destruction of, or damage to any property whatsoever (including a computer), or any loss, or expense whatsoever resulting or arising there from
- 2. any legal liability of whatsoever nature

3. any consequential loss

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

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

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

Special Extension to the above General Exclusion 6

- 1. Loss or destruction of, or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to in B below, are not excluded by this General Exclusion.
- 2. The special perils that are not excluded for the purpose of this special extension are damage caused by:
 - a) Storm, flood, wind, rain, hail or snow excluding loss or damage to property
 - i. arising from its undergoing any process necessarily involving the use or application of water;
 - ii. caused by tidal wave originating from earthquake or volcanic eruption;
 - iii. in the underground workings of any mine;
 - iv. in the open (other than buildings structures and unless so described and specifically insured as a separate item plant designed to exist or operate in the open);
 - v. in any structure not completely roofed;

- vi. being retaining walls;
- b) Aircraft and other aerial devices or articles dropped there from.
- c) Impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles

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

- 3. The above General Exclusion also does not apply to consequential loss as insured by any Business Interruption indemnity provided by this policy to the extent that such consequential loss results from damage to insured property
- 4. This Special Extension will not insure any loss destruction, damage or consequential loss if it would not have been insured in the absence of this Computer Loss General Exclusion and this Special Extension.
- 5. This Special Extension shall not apply to any Public Liability indemnity.

7. Asbestos exclusion (applicable to the Public Liability and Employers Liability sections)

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

8. Property under construction and / or alteration

If the property insured by this policy is in the course of erection and/or completion and/or alteration, until final completion of the contract, this insurance is amended as follows in connection with any claim arising in consequence thereof:

Section A - Property

The perils are replaced with the following:

- 1. Fire, lightning, thunderbolt, subterranean fire, explosion, meteorite.
- 2. Storm, wind, hail or snow other than,
 - (a) wear and tear or gradual deterioration,
 - (b) loss or damage
 - (i) to retaining walls
 - (ii) if the building is not completely roofed and all external windows and external doors are fitted
 - (iii) caused by or aggravated by
 - subsidence or landslip

- the insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimization of any destruction or damage.

3. Earthquake
4. Aircraft and other aerial devices or articles dropped there from.
5. Impact by animals, trees, aerials, satellite dishes or vehicles other than damage caused by any contractor or sub-contractor or their employees whilst engaged in connection with the said erection and/or completion and/or alteration.
6. Accidental breakage or collapse of radio or television aerials, satellite dishes, aerial fittings or masts.

Section B – Public Supply Connection

This section is cancelled

9. Wear, tear and Gradual Deterioration, poor workmanship or faulty design

The Company shall not be liable for any loss or damage arising out of

- a) wear tear or gradual deterioration
- b) poor workmanship or faulty design or materials

10. Replacement of Carpets, Tiles and other Flooring

The Company shall not be liable to pay for more than the replacement of carpets, tiles or any other type of flooring in the room or passage in which the loss or damage occurred.

11. Replacement of undamaged Wall and Floor Tiles

The Company will pay for the reasonable costs of replacing tiles as a result of any loss or damage not excluded from cover in terms of this policy. The Company shall not be liable to pay for the replacement un-damaged tiles solely due to the unavailability of supply or a change in dye lot due to the age of the tiles or a cessation of manufacture.

SPECIAL EXTENSIONS – SASRIA / NASRIA

1. Riot and Strike Extension (excluding cover which may be provided by the South African Special Risks Insurance Association or the Namibian Special Risks Insurance Association).

Notwithstanding anything to the contrary contained in General Exclusion 1.1

1.1 This policy is extended to cover loss of, or damage to property or directly occasioned by, through, or in consequence of:

- 1.1.1 civil commotion, labour disturbances, riot, strike or lock-out;
- 1.1.2 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 1.1.1 above.

1.2 This extension does not cover loss or damage to property or bodily injury

- 1.2.1 occurring either within the territorial limits of the Republic of South Africa or Namibia, or beyond the territorial limits specified in the policy

- 1.2.2 resulting from consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured
- 1.2.3. resulting from total or partial cessation of work, or the retarding or cessation of any process or operation
- 1.2.4 occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
- 1.2.5 related to or caused by any occurrence referred to in general exclusions 1.1.2, 1.1.3, 1.1.4, 1.1.5 or 1.1.6, or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If we allege that because of provisos 1.2.1, 1.2.2, 1.2.3 , 1.2.4 or 1.2.5 loss or damage or bodily injury is not covered by this extension, the burden of proving the contrary shall rest on you.

- 1.3 Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exclusion, this policy does not cover loss of or damage to property or bodily injury or expense of whatsoever nature directly or indirectly caused by arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage, bodily injury or expense.

For the purpose of this Exclusion 1.3 an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof. If we allege that, because of Exclusion 1.3, loss of or damage to property or bodily injury is not covered by this policy, the burden of proving the contrary shall rest on you.

ADDITIONAL BENEFITS

1. 1st- Assist Emergency Home Assistance (included free of charge)

The Company will provide access to 24 hour emergency home assistance services. This is applicable in the event of accidental breakage (not loss) of permanent fixtures or fittings of the insured building.

We will arrange for a service provider to attend to your emergency and pay up to the amount specified in the Table of Benefits to our approved service providers.

Table of Benefits:

Service:	Limit:
Locksmith	Call-out + 1 hour labour (R50.00 first amount payable applies to each call-out)

Electrician	Call-out + 1 hour labour
Plumber	Call-out + 1 hour labour
Tree-Feller	Call-out + 1 hour labour
Glazier	Call-out + 1 hour labour

Please note that you are liable for any material or additional costs incurred that is not covered in the Table of Benefits.

The 1ST-ASSIST Call Centre can be contacted on: **0861 225 225**

2. Claims Preparation Costs (Applicable to all sections)

The Company will pay the amount actually expended by you in producing and certifying any particulars or details required in terms of General Condition 3 but limited to R50 000 or the amount stated in the schedule.

HOMEOWNERS

Subject to the terms, exceptions, conditions and provisions (precedent or otherwise), and in consideration of, and conditional upon the prior payment of the premium by or on behalf of the insured and receipt thereof by or on behalf of The Company as stated in the schedule, The Company agrees to indemnify or compensate the insured by payment or, at the option of The Company, by replacement, re-instatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under the policy up to the sums insured, limits of indemnity, compensation and other amounts specified.

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

DEFINED EVENTS

1. Loss or damage to the property (as defined) situate as stated in the schedule by the perils described in Section A.
2. Accidental damage to public supply connections as provided for in Section B.
3. Loss of rent as provided for in Section C.
4. Legal liability as provided for in Section D.

DEFINITIONS

Property

The buildings constructed of brick, stone or concrete and roofed with slate, tiles, metal, concrete or asbestos (unless otherwise stated in the schedule), including landlords’ fixtures and fittings therein and thereon, all domestic outbuildings, swimming pools (other than above ground and/or vinyl lined swimming pools), machinery, equipment (other than automatic pool cleaners) and other structures and improvements of a permanent nature, walls (except dam walls), gates, posts and fences (except hedges), brick, tarred, concrete or paved roads, driveways, parking areas, paths and fire extinguishing equipment, all the property of the insured.

Subsidence

The downward movement of a site on which buildings may or may not stand from causes unconnected with the building (if present)

Landslip

The downward and/or sideways movement of sloping ground resulting from the action of self weight stresses and imposed loadings exceeding the available strength of the ground

Settlement

The downward movement of a site due to the application of superimposed loading which is the wholly natural effect of superimposing a load on a site and is predictable.

Active soils

A soil that changes in volume to varying degrees in response to changes in moisture content, i.e. the soil may increase in volume (heave or well) upon wetting and decrease in volume (shrink) upon drying out.

Geyser

The Geyser unit itself, pipes and fittings including drip trays and pans, within one meter of the Geyser unit, the control valves the stop cock installed not more than one and a half meters from the Geyser unit for the purposes of controlling the water flow to the Geyser unit only, the draw cock, safety valve and vacuum breaker(s).

SECTION A – PROPERTY**PERILS**

All sudden, unforeseen and fortuitous loss or damage not otherwise excluded in the Specific Exceptions or General Exceptions.

SPECIFIC CONDITIONS**Average**

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

SPECIFIC EXCEPTIONS

The Company will not indemnify the insured under this section in respect of loss of or damage to the property by;

1. cracking or collapse of the property unless caused by external causes not otherwise excluded,
2. loss caused by domestic pets, vermin or insects,
3. wear tear or gradual deterioration

4. mildew, damp, a rise in the underground water table, rising damp, rust, corrosion or rot,
5. denting, chipping, scratching or cracking (not affecting the operation of the item) or fixed glass or sanitary ware,
6. any process of cleaning, restoring, altering, renovation, repair or dyeing,
7. loss of or damage to tennis courts, paving, driveways, walls, underground pipes, cables or tanks by roots or weeds,
8. theft, malicious damage and water damage if the property becomes unoccupied for thirty (30) consecutive days, unless the insured, before the occurrence of loss or damage, obtains the written agreement of The Company to continue theft and malicious damage cover.
 - a) During the period of the initial un-occupancy of thirty (30) consecutive days theft cover will be subject to forcible and violent entry into or exit from the building, and the insured shall become a co-insurer with The Company and shall bear a rate-able proportion of any damage equal to twenty (20) percent of the claim before deduction of any first amount payable.
9. Theft or misappropriation by any tenant or subtenant of the insured (or by family or servants of such tenant or subtenant),
10. Subsidence and landslip, other than damage to the main dwelling, domestic outbuildings and garages only, notwithstanding the definition of Property. Loss and / or damage to the main dwelling, domestic outbuildings and garages caused by the following is excluded;
 - a) Settlement, shrinkage or expansion of the building,
 - b) Active soils, except where professional engineering design precautions have been implemented during construction,
 - c) Damage from a cause which existed prior to the commencement of the policy,
 - d) Damage caused by or attributable to,
 - i. faulty design or construction of, or the removal or weakening of support other than in terms of construction works carried out in terms of a professional engineering design,
 - ii. workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises,
 - iii. excavations on or under land other than excavations in the course of mining operations,
 - e) consequential loss of any kind whatsoever except loss of rent,
 - f) the densification of made up ground or infill or by inadequate compaction of filling,
 - g) solid floor slabs or any other part of the building resulting from the movement of such slabs, unless the foundation supporting the external walls of the building or damaged by the same cause at the same time,

- h) work necessary to prevent further destruction or damage due to subsidence or landslip except where appropriate design precautions were implemented during the original construction of the building and any subsequent additions thereto.

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

EXTENTIONS

GEYSERS

Notwithstanding the provisions of exclusion (c) above, in respect of **Geysers** we will also indemnify you for the cost of the repair or the replacement, in part or the whole of the geyser plus the cost of the repair of the resulting water damage to the insured building, against loss or damage directly or indirectly caused by contributed to or arising from rust, decay, gradual deterioration, wear and tear, cracking, splitting, faulty materials and workmanship, inherent vice and latent defects. This extension excludes solar absorber and collector panels.

Geysers – conditions applicable to claims

1. Cover will be unlimited per event and subject to an excess as stated in the policy schedule.
2. The Company's liability for repair to a geyser is limited to R1,000.
3. Whenever applicable, you must complete the manufacturer's approved installers' document, which the installer must submit to the manufacturer.
4. Only the manufacturer or its authorised agents may effect repairs and/or replacements, should the geyser still be under the manufacturers' guarantee.

DAMAGE TO LANDSCAPED GARDENS

The Company will indemnify the insured for the replacement of landscaped trees, plants or shrubs on the premises following loss of or damage by fire fighting operations, explosion, impact by vehicles, aircraft or other aerial devices or articles dropped there from, limited to R 5,000 per event.

LOCKS AND KEYS

The Company will indemnify the insured for the cost of replacing locks and keys of the insured premises following forcible and violent entry into the buildings, limited to R2,500 per event.

LOSS OF WATER

The Company will indemnify the insured for the cost of water lost through leakage from pipes, where the insured is responsible to pay the charge for such water, subject to the following,

1. only in the event of the quarterly reading of water consumption exceeding the average of the last previous four quarterly reading by 50% or more, then The Company will indemnify the insured for the cost of such additional water consumed up to a limit of R5,000. If less than 50% no indemnity will be provided.
2. up to R5,000 shall be payable for no more than two separate incidences in any twelve (12) months period of insurance.

3. if is a condition precedent to liability under this extension that the insured shall upon discovery of a leak (by physical evidence or on receipt of an abnormally high water account) take immediate steps to repair the pipe(s) affected.
4. this extension does not cover the cost of remedial action including repairs to the pipe(s) affected.
5. The Company will not be liable for claims,
 - i. as a result of leaking taps, geysers, toilet systems, swimming pools and storage tanks.
 - ii. as a result of the deliberate act of the insured or any person acting on his behalf.
 - iii. whilst the property is unoccupied for a period in excess of thirty (30) consecutive days.
 - iv. for the cost of refilling of swimming or other pools or ponds whether following leakage or otherwise.

MEDICAL, TRAUMA COSTS

If any watchman, caretaker, building supervisor or gardener in the permanent employment of the insured for the purposes of safe-guarding or maintaining the property described in the schedule is the victim of unlawful physical assault while in the course and scope of his/her employment, The Company will indemnify the insured on behalf of such employee or employee's estate

- (i) Up to R10,000 in respect of medical costs and expenses including ambulance and hospital fees,
- (ii) Up to R1,000 in respect of psychological counseling necessitated by such unlawful physical assault,
 - (a) any medical costs and expenses recoverable or received in terms of any Workmen's Compensation Enactments shall be deducted from the indemnity provided under (i) above,
 - (b) The Company's maximum liability under this sub-section shall be R10,000

REMOVAL OF TREES

The Company will indemnify the insured for the cost of removing trees when they have fallen upon and caused damage to the insured property, limited to R5,000 per event.

WATCHMEN

The Company will indemnify the insured for the costs reasonably incurred in employing watchmen following an event which gives rise to a claim and is admitted by The Company, limited to R5,000 per event.

CLAUSES

ARCHITECTS AND OTHER PROFESSIONAL FEES

The insurance under this section includes professional fees (for estimates, plans, specifications, quantities, tenders and supervisions) necessarily incurred in the reinstatement or replacement of the property insured following damage by defined event, but in no case exceeding 15 percent of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of the insured's claim.

CAPITAL ADDITIONS

The insurance under this section covers alterations additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property for an amount not exceeding 15 percent of these sum insured thereon, it being understood that the insured undertakes to advise The Company each quarter of such alternations, additions and improvements, and to pay the appropriate additional premium thereon.

COST OF DEMOLITION AND CLEARING AND ERECTION OF HOARDINGS

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

The Company will not pay for any costs or expenses:

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

FIRE EXTINGUISHING CHARGES

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

MORTGAGEE

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

MUNICIPAL PLANS SCRUTINY FEE

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

PUBLIC AUTHORITIES REQUIREMENTS

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

Provided that,

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

REINSTATEMENT VALUE

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

Provided that,

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the insured subject to the liability of The Company not being thereby increased) must be commenced and carried out with reasonable dispatch, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made,
2. until expenditure has been incurred by the insured in placing or reinstating the property, The Company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein,
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a defined peril, then the insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision.
4. these conditions shall be without force or effect if,
 - (a) the insured fails to intimate to The Company within six (6) months of the date of damage, or such further time as The Company may in writing allow, their intention to replace or reinstate the property,
 - (b) the insured is unable or unwilling to replace or reinstate the property on the same or another site.

TEMPORARY REMOVAL

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

TENANTS CLAUSE

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

SECTION B – PUBLIC SUPPLY CONNECTIONS

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

SECTION C – RENT

DEFINED EVENTS

LOSS OF RENT RECEIVABLE FROM TENANTS

Loss of rent as a result of the property insured being so damaged by any of the perils specified in Section A as to be rendered un-tenantable (including partially un-tenantable), but only for the period necessary for reinstatement and for an amount not exceeding 25 percent of the sum insured on the affected property. The basis of calculation shall be the rent receivable (for an unfurnished dwelling) immediately preceding the damage.

OWNERS ALTERNATIVE ACCOMODATION

In consequence of the property being so damaged by any of the perils specified in Section A as to be rendered un-tenantable, The Company will indemnify the insured in respect of the reasonable cost of equivalent accommodation up to a limit of 25 percent of the sum insured on the affected property. The indemnity period shall be limited to the period necessary for the reinstatement of the property. The insurance provided herein does not cover any loss which at the time of the happening of such loss is insured by or would, but for the existence of this policy, be insured by any other policy except in respect of any excess beyond the amount which would have been payable under the policy had this insurance not been effected.

EXTENTION

PREVENTION OF ACCESS EXTENTION

If property within a 10km radius of the premises stated in the schedule is lost or damaged by a peril defined in Section A during the period of insurance and this prevents or hinders use of or access to the property insured by this section, The Company will pay any loss of rent the insured may incur as a result thereof up to an amount not exceeding 25 percent of the sum insured on the affected property. The basis of calculation shall be the rent receivable (for an unfurnished dwelling) immediately preceding the damage.

MEMORANDA

AVERAGE

If, at the time of any damage arising, the value of the property insured in Section A does not exceed the sum insured stated in the schedule then this Section shall be declared free of average, but if the property insured is collectively of greater value than the sum insured, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss of rent accordingly. Each item, if more than one, shall be separately subject to this condition.

SECTION D – LEGAL LIABILITY

DEFINED EVENTS

Damages which the insured shall become legally liable as owner (but not as occupier) of the property to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury) or accidental loss of or physical damage to tangible property (hereinafter termed damage) which occurs within the territorial limits and on or after the retroactive date shown in the schedule and which results in a claim or claims first being made against the insured in writing during the period of insurance, provided however that this insurance will not apply to any claims made against the insured

1. Arising from circumstances known to the insured at the inception date of this policy and which could reasonably have been foreseen by the insured to give rise to a claim against the insured; or
2. Arising from any circumstances advised to the insurers of any other policy prior to the inception date hereof.

THE LIMIT OF INDEMNITY

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

SPECIFIC EXCEPTIONS

The Company will not indemnify the insured under this section in respect of,

1. injury or damage sustained by
 - a) any member of the same household as the insured.
 - b) any person employed by the insured under a contract of service or apprenticeship and arising directly from and in the course of such employment by the insured.
 - c) any other person resulting from the ownership of or use by or on behalf of the insured of mechanically propelled vehicles (except pedal cycles and lawnmowers).
2. damage to property,
 - a) belonging to the insured,
 - b) in the custody or control of the insured or any employee of the insured,
3. liability assumed by agreement, unless liability would have attached to the insured notwithstanding such agreement,
4.
 - a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence,

- b) the cost of removing, nullifying or cleaning up seeping, pollution or contaminating substances unless the seepage, pollution or contamination is caused by sudden, un-intended and unforeseen occurrence,

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

- 5. fines, penalties, punitive, exemplary or vindictive damages,
- 6.
 - a) damages in respect of judgments delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland.
 - b) costs and expenses of litigation recovered by any claimant from the insured which are not incurred in and recoverable in the area described in the area described in 6 (a) above.
- 7. liability consequent upon injury or damage caused by or through or in connection with the ownership, hire or leasing of any airport, airstrip or helicopter pad.

EXTENTIONS

ADDITIONAL INSURED

Provided that the aggregate liability of The Company is not increased beyond the limit of indemnity stated, The Company will also indemnify as though a separate policy had been issued to each,

- 1. in the event of the death of the insured, any personal representative of the insured in respect of liability incurred by the insured,
- 2. partner or director or member or any trustee or employee of the insured (if the insured so requests) against any claim for which the insured is entitled to indemnity under this insurance.

For the purposes of this extension, The Company waives all rights of subrogation or action which they may have or acquire against any of the above, and each party to whom the indemnity hereunder applies shall observe, fulfill and be subject to the terms, exceptions and conditions (both general and specific) of this insurance in so far as they can apply.

CROSS LIABILITY

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

EMERGENCY MEDICAL EXPENSES

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

EMPLOYEEES AND VISITORS PROPERTY

Specific Exception 2 (A) (b) shall not apply to property belonging to any partner, trustee, director or employee of the insured or any visitor to the insured's premises.

OTHER INSURANCE

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

SECURITY FIRMS

Notwithstanding Specific Exception 3, if, in terms of a contract with a security firm engaged in the course of the insured's business (as owner of the premises specified in the schedule) to protect the insured's property at the premises stated in the schedule, the insured become legally liable for the acts or omissions of the employees of the security firm in the course of their employment at these premises, then this section includes such legal liability to the extent that indemnity would have been granted under this section had the said employees been under a contract of service to the insured and not the security firm, but not exceeding the limit of liability stated in the schedule for this section if at the time of an occurrence giving rise to a claim, the security firm is entitled to indemnity under any other policy in respect of the same event, The Company shall not be liable to make any payment except in respect of any amount above the amount payable under such other policy.

MEMORANDA

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

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