



COMMERCIAL & INDUSTRIAL
ACCEPTANCES

PROPERTY OWNERS COMBINED POLICY

INDEX

SECTION	PAGE
Section A – Property.....	2
Section B – Public Supply Connections.....	9
Section C – Rent.....	10
Section D – Accidental Damage.....	11
Section E – Liability.....	14
Section F – Glass.....	17
Section G – All Risks.....	18
Section H – Machinery Breakdown.....	19
General Exceptions.....	21
General Conditions.....	25
General Provisions.....	29

PROPERTY OWNERS COMBINED

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 on or behalf of the insured and receipt thereof by or on behalf of the Company as stated in the schedule (hereinafter called the company), the company agrees to indemnify or compensate the insured by payment or, at the option of the company, by replacement, reinstatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under the 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 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) situated 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. Accidental damage as provided for in Section D.
5. Legal liability as provided for in Section E.
6. Glass as provided for in Section F.
7. All Risks as provided for in Section G (if stated in the schedule to be included).
8. Machinery breakdown as provided for in Section H (if stated in the schedule to be included).

DEFINITIONS

PROPERTY

The buildings, constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos (unless otherwise stated in the schedule) including landlord's fixtures and fittings therein and thereon, plant, equipment 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 and paths, fire-extinguishing equipment and railway sidings, all the property of the insured, and if so stated in the schedule, tenants fixtures and fittings, situate as stated in the schedule.

SECTION A – PROPERTY

PERILS

1. Fire, lightning, thunderbolt, subterranean fire, explosion, meteorite.
2. Storm, wind, water, hail or snow other than,
 - a) that arising from its undergoing any process necessarily involving the use or application of water,
 - b) wear and tear and gradual deterioration,
 - c) loss or damage,
 - i) to retaining walls,
 - ii) 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 minimisation of any destruction or damage,
 - mildew, damp, a rise in the underground water table, rising damp, rust, corrosion or rot.
3. Earthquake.
4. Aircraft and other aerial devices or articles dropped there from.
5. Impact by animals, trees, aerials, satellite dishes or vehicles.
6. Sudden and unforeseen bursting of geysers, water tanks, water apparatus (excluding boilers) or water pipes, including damage thereto, but excluding loss or damage to any property caused by or aggravated by;
 - a) wear and tear or gradual deterioration, rust, corrosion, mildew or damp,
 - b) subsidence and landslip,
 - c) the insured's failure to take reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage.
7. Sudden and unforeseen escape of oil from an oil-fired heating installation forming part of the building.
8. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from the building. If any building or part of the building insured becomes unoccupied for 30 consecutive days, this peril is suspended as regards the unoccupied building or part of the building, unless the insured, before the occurrence of loss or damage, obtains the written agreement of the company to continue this peril. During the period of the initial un-occupancy of 30 consecutive days the insured shall become a co-insurer with the company and shall bear a rateable proportion of any damage equal to 20 percent of the claim before deduction of any first amount payable.
9. Accidental damage to sanitary ware such as fixed wash-basins, pedestals, sinks, lavatory pans, splash-backs and cisterns, but excluding denting, chipping, scratching or cracking not affecting the operation of the item.
10. Accidental breakage or collapse of radio or television aerials, satellite dishes, aerial fittings or masts.
11. Costs and expenses necessarily incurred by the insured in complying with any legal requirements to upgrade or replace undamaged portions of any automatic sprinkler system, or automatic drencher, gas or foam installation following damage by an

insured peril provided that the total amount recoverable shall not exceed the sum insured. This peril will only be operative if the insured can produce evidence of a current ASIB certificate at the time of the loss.

SPECIFIC CONDITION

AVERAGE

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

EXTENSIONS

SUBSIDENCE AND LANDSLIP (if stated in the schedule to be included)

The following peril is added to Section A:

12. Damage caused by subsidence and landslip,

provided that the insured shall bear the first portion of each and every claim up to an amount calculated at 1 percent of the sum insured of the affected item as stated in the schedule or R1 000, whichever is the greater.

This extension does not cover;

- a) damage to drains, watercourses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured,
- b) damage caused by or attributable to,
 - i. faulty design or construction of, or the removal or weakening of support to any building situated at the insured premises,
 - ii. workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises,
 - iii. excavation on or under land other than excavations in the course of mining operations.
- c) consequential loss of any kind whatsoever except loss of rent,
- d) normal settlement, shrinkage or expansion of the building,
- e) active soils, except where professional engineering design precautions have been implemented during construction,
- f) the densification of made up ground or infill or by inadequate compaction of filling,
- g) damage from a cause which existed prior to the commencement of the policy,
- h) solid floor slabs or any other part of the building resulting from the movement of such slabs, unless the foundations supporting the external walls of the building are damaged by the same cause at the same time,
- i) 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.

Definitions:

1. Subsidence: the downward movement of a site on which buildings may or may not stand, from causes unconnected with the building (if present).
2. 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.
3. 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.
4. 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 swell) upon wetting and decrease in volume (shrink) upon drying out.

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, fire fighting operations, explosion, impact by vehicles, aircraft or other aerial devices or articles dropped there from, limited to R 5,000 per event.

ESCALATION

The sum insured in respect of property as defined in Section A of this policy will be increased as follows:

- (a) during the period of insurance by that proportion of the percentage specified against "current insurance period" in the schedule which the number of days from the inception date to date of loss bears to the period of insurance,
- (b) on the happening of a loss by an Insured Peril as detailed in Section A of this policy, the sum insured as at the time of the loss shall be increased by the percentage specified against "further reinstatement period".

LEAKAGE

Damage caused by discharge or leakage from fire extinguishing installations / appliances.

LOCKS AND KEYS

The company will indemnify the insured for the cost of replacing locks, keys and access devices of the insured premises following a loss for which the company has admitted liability under Peril 8, limited to R 2,500 per event.

MAINTENANCE AND CLEANING EQUIPMENT

This policy is extended to include cover as defined in Perils 1 to 5 and 8 of Section A, in respect of equipment owned by the insured for maintaining and cleaning the premises, limited to the amount specified in the schedule.

MALICIOUS DAMAGE

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

1. movable property, which is,
 - (a) stolen,
 - (b) damaged in an attempt to remove it or part of it from any premises owned or occupied by the insured,
2. movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured,
3. immovable property owned or occupied by the insured occasioned by or through or in consequence of

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

Provided that this extension does not cover,

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

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

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

During the period of the initial un-occupancy of 30 consecutive days the insured shall become a co-insurer with the company and shall bear a proportion of any damage equal to 20 percent of the claim before deduction of any first amount payable.

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 R 5,000 per event.

SWIMMING POOL / BOREHOLE PUMPS

If swimming pool and jacuzzi machinery or borehole pumps in domestic use are damaged by any cause other than wear and tear or depreciation the company will, at its option, repair or replace the damaged equipment or pay to the insured the value thereof up to an amount of R5,000 any one claim.

THEFT OF LANDLORD'S EXTERIOR FIXTURES AND FITTINGS (if stated in the schedule to be included)

The following peril is added to Section A:

Theft of exterior landlord's fixtures and fittings removed by forcible and violent means from the building, limited to the amount stated in the schedule. If any building or part of the building insured becomes unoccupied for 30 consecutive days, this peril is suspended as regards the unoccupied building or part of the building, unless the insured, before the occurrence of loss or damage, obtains the written agreement of the company to continue this peril. During the period of the initial un-occupancy of 30 consecutive days the insured shall become a co-insurer with the company and shall bear a rateable proportion of any damage equal to 20 percent of the claim before deduction of any first amount payable.

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 R 5,000 per event.

CLAUSES

ARCHITECTS AND OTHER PROFESSIONAL FEES

The insurance under this section includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 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 the sum insured thereon, it being understood that the insured undertakes to advise the company each quarter of such alterations, additions and improvements, and to pay the appropriate additional premium thereon.

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 peril, provided that the total amount recoverable shall not exceed the sum insured on the property affected.

The company will not pay for any costs or expenses

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

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 despatch and may be carried out wholly or partially upon another site (if the aforesaid regulations so necessitate) subject to the liability of the company under this clause not being thereby increased,
 3. if the liability of the company under any item of this 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.

RAILWAY AND OTHER SUBROGATION

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

REINSTATEMENT VALUE CONDITIONS

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

provided that,

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the insured subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable despatch, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made,
2. until expenditure has been incurred by the insured in replacing or reinstating the property, the company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein,
3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a defined 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 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

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 and the public supply or mains.

SECTION C – RENT

DEFINED EVENTS

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 untenable, but only until tenanted and not exceeding the percentage as stated in the schedule of the sum insured on the affected property. The basis of calculation shall be the actual rent receivable immediately preceding the damage.

SPECIFIC CONDITIONS

1. The insurance under this section shall cease if the business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of the company.
2. On the happening of any Damage in consequence of which a claim may be made under this section, the insured shall, in addition to complying with General Conditions 4, 5 and 6, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or to avoid or diminish the loss. No claim under this section shall be payable unless the terms of this specific condition have been complied with and, in the event of non-compliance therewith in any respect, any payment on account of the claim already made shall be repaid to the company forthwith.

EXTENSION

PREVENTION OF ACCESS EXTENSION

If property within a 10 km 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 the use of or access to the property insured by this section, the company will pay any loss of rent the insured may incur as a result thereof up to an amount not exceeding the percentage as stated in the schedule of the sum insured on the affected property. The basis of calculation shall be the actual rent receivable 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 – ACCIDENTAL DAMAGE

DEFINED EVENTS

Accidental physical damage to the property insured, as stated in the schedule, not otherwise insured or for which insurance is available and described (whether incorporated in this policy or not) in terms of any section (other than Section G – All Risks) listed in the index of this policy.

The amount payable for all damage arising out of one original cause or source shall not exceed the sum insured as stated in the schedule

and

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

SPECIFIC EXCLUSIONS

1. The company shall not be liable for damage resulting from,
 - a) any peril excluded or circumstance precluded from any other insurance available from the company at inception hereof or for any excess payable by the insured under such section, or for any reduction of amount payable under any claim due to the application of average,
 - b) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process,
 - c) unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information,
 - d) failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant,
 - e) collapse of plant and machinery, buildings and structures (other than shelving or storage platforms).

2. The company shall not be liable for loss of or damage to property insured caused by,
 - a) any fraudulent scheme, trick, device or false pretence practised on the insured (or any person having custody of the property insured) or fraud or the dishonesty of any principal or agent of the insured,
 - b) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus,
 - c) breakdown, electrical, electronic and/or mechanical derangement,
 - d) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon,
 - e) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear,
 - f) domestic pets, termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, the action of light.

3. The company shall not be liable for,
- a) more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection,
 - b) settlement or bedding down, ground heave, collapse or cracking of structures or the removal or weakening of support to any property insured,
 - c) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container,
 - d) loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes,
 - e) damage to irrigation equipment,
 - f) denting, chipping, scratching or cracking not affecting the operation of the item,
 - g) damage to driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines, tunnels, cables, cableways, bridges, docks, jetties, wharves, piers, excavations or property below ground.

CLAUSES

ADDITIONAL COSTS

In respect of property insured, the sum insured includes,

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

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

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

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

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.

TENANTS

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

MEMORANDA

FIRST LOSS 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 first loss sum insured accordingly. Each item, if more than one, shall be separately subject to this condition.

SECTION E – 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) occurring during the period of insurance in, on or about the property insured and arising from the insured's ownership thereof and elsewhere within the territorial limits where the insured is working in the course of the business.

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) (i) belonging to the insured,
 - (ii) in the custody or control of the insured or any employee of the insured,
 - (b) caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure,
 3. liability assumed by agreement, unless liability would have attached to the insured notwithstanding such agreement,
 4. (a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this exception shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence,
 - (b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.
- This exception shall not extend the policy to cover any liability, which would not have been insured under this policy in the absence of this exception.
5. fines, penalties, punitive, exemplary or vindictive damages,
 6. (a) damages in respect of 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,

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

EXTENSIONS

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,

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

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

CAR PARKS

Notwithstanding the provisions of Specific Exception 2 (a) (ii), the company will indemnify the insured in respect of liability as herein provided arising from loss of or damage to vehicles and their contents and accessories, the property of tenants, customers, visitors or employees of the insured using parking facilities provided by the insured.

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 though separate policies had been issued to each, provided that the aggregate liability of the company shall not exceed the limit of indemnity stated in the schedule.

EMERGENCY MEDICAL EXPENSES

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

EMPLOYEES AND VISITORS' PROPERTY

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

LEGAL DEFENCE COSTS

If the insured so requests, the company will indemnify any employee, partner, or director of the insured against costs and expenses not exceeding R50 000 for any one event and R100 000 in any one (annual) period of insurance and incurred by and on behalf of such a person with the consent of the company in the defence of any criminal action brought against such person in the course of his occupation with the insured arising from an alleged contravention of the statutes as herein defined during the period of insurance, provided that

- i) in the case of an appeal, the company shall not indemnify such person unless a senior counsel approved by the company shall advise that such appeal should, in his opinion succeed,

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- ii) the company shall not indemnify such person in respect of any fine or penalty imposed by any magistrate or judge or any loss consequent thereon,
 - iii) such person shall, as though he were the insured, observe, fulfil and be subject to the terms, exceptions and conditions of this policy and this section thereof in so far as they can apply.

THE STATUTES

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

The Electricity Act No. 40 of 1958 (as amended) and/or any other Act or Ordinance pertaining to the supply of electricity.

All as read in conjunction with the Criminal Procedure Act No. 51 of 1977 (as amended)

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 becomes legally liable for the acts or omissions of the employees of the security firm in the course of their employment at these premises, then this 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.

WRONGFUL ARREST AND DEFAMATION

The defined events are extended to include damages,

- (i) resulting from wrongful arrest (including assault in connection with such wrongful arrest),
- (ii) in respect of defamation,

provided always that the limits of indemnity as stated shall not exceed R50 000 under each of (i) and (ii) and R100 000 in any one (annual) period of insurance.

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 or indirectly caused by, related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.

SECTION F – GLASS

DEFINED EVENTS

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

Following loss of or damage to glass the company will also indemnify the insured for,

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

provided that the liability of the company shall not exceed,

- (i) for the replacement of glass, sign writing and treatment – the amount stated in the schedule per premises in respect of any one event,
- (ii) for all other costs and expenses provided for by this section and resulting from one occurrence or series of occurrences attributable to one source or original cause – in the aggregate the sum of R2,000 per premises.

SPECIFIC EXCEPTION

The company will not be liable for

1. loss or damage, which is insured by, or would, but for the existence of this extension, be insured by any glass insurance if it is a condition of the Lease Agreement that the tenant will be responsible for accidental damage to glass,
2. glass forming part of stock in trade,
3. glass which, at the inception of this insurance, is cracked or broken,
4. defacement or damage other than fracture through the entire thickness of the glass or any laminate thereof.

SECTION G – ALL RISKS – (if stated in the schedule to be included)

PROPERTY INSURED

As stated in the schedule.

DEFINED EVENTS

Loss of or damage to the property insured while in, on or about the premises insured, caused by any accident or misfortune not otherwise excluded but not exceeding the sum insured as stated in the schedule.

EXCLUSIONS

The company shall not be liable for loss of or damage resulting from or caused by,

- (a) mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded,
- (b) wear and tear and gradual deterioration, any process of cleaning, repairing or restoring or as a result of light, atmospheric or climatic conditions unless following an accident or misfortune not otherwise excluded,
- (c) scratching, denting or chipping not affecting the operation of the item,
- (d) during the fitting, adjustment, repair or dismantling of any item of the property insured,
- (e) inherent vice or defect, vermin, insects, damp, mildew or rust,
- (f) the dishonesty of the insured or employee whether acting alone or in collusion with others.

SECTION H – MACHINERY BREAKDOWN – (if stated in the schedule to be included)

DEFINED EVENTS

Sudden and unforeseen physical damage to the insured machinery as stated in the schedule forming part of the property insured under Section A of this policy;

- (a) whilst at work or at rest,
- (b) whilst being dismantled for the purpose of cleaning, inspection and overhaul or removal to another position in the course of these operations themselves or subsequent re-erection.

provided that,

- (i) the company will not be responsible for the cost of any alterations or overhauls carried out on the occasion of a repair or reinstatement,
- (ii) in case of a claim where loss or damage is confined to a part of a machine or structure, the company shall be liable only for the value of that part plus the cost of any necessary dismantling and erection for which the insured is responsible,
- (iii) in the event of total loss, which shall mean when the insured machinery is not repairable, the amount payable hereunder shall be the cost of reinstatement in accordance with the Reinstatement Value Conditions incorporated in Section A of this policy.

SPECIFIC EXCEPTIONS

The company shall not be liable for,

1. damage to the insured machinery by any cause otherwise insured in terms of the policy or subsequent dismantling or re-erection,
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions),
3. damage resulting from experiments, overloads or tests.

SPECIFIC CONDITIONS

ALTERATION OF RISK

Notice must be given to the company of any alteration to or departure from normal working conditions, which would affect the risk of damage. The company may either approve such modification or cancel the insurance by this section and, provided there has not been a claim during the current period of insurance, refund a proportionate part of the premium paid.

AVERAGE

The sum insured stated in the schedule shall be equal to the new replacement value including transport and erection costs and custom duties if any, plus VAT. If the sum insured shall at the time of any damage be of lesser value than the amount required to be insured as stated above, then the insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly.

PRECAUTIONS

The insured shall take all reasonable precautions to ensure that the machinery is maintained in good working order and neither habitually nor intentionally overloaded, and that Government and other regulations relating to the operation of the machinery are observed.

RIGHTS OF THE COMPANY

The insured shall allow the company to examine the insured machinery at any reasonable time. If during the inspection by the company, any new facts of a nature likely to increase the risk are observed the insured must, at the request of the company, restore the risk to normal within the least possible time. The company may immediately, on discovery of such new fact, given written notice to the insured suspending cover under this section.

GENERAL EXCEPTIONS, CONDITIONS AND PROVISIONS

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

GENERAL EXCEPTIONS

1. WAR, RIOT AND TERRORISM.

- a) This policy does not cover loss of or damage to property related to or caused by,
 - (i) Civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the foregoing,
 - (ii) War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war,
 - (iii) (a) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege,
 - (b) insurrection, rebellion or revolution.
 - (iv) any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence,
 - (v) any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public or any section thereof,
 - (vi) any attempt to perform any act referred to in Clause (iv) or (v) above,
 - (vii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in Clause a (i), (ii), (iii), (iv), (v) or (vi) above.
- b) This policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this policy applies,
- c) Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a General Exception, this policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other clause or event contributing concurrently or in any sequence to the loss, damage or expense,

For the purpose of this General Exception 1 (c) an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.

If the company alleges that, by reason of Clause 1 (a), (b) or (c) of this exception, loss or damage is not covered by this policy, the burden of proving the contrary shall rest on the insured.

2. NUCLEAR WEAPONS AND RADIATION

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

- 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. PROPERTY UNDER CONSTRUCTION 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,

- a) Peril 2 of Section A, only operates provided that the building is completely roofed and all external windows and external doors are fitted,
- b) The peril "Water" as stated under Peril 2 of Section A is deleted,
- c) Perils 6, 7, 8, 9, 10 and 11 of Section A are cancelled,
- d) The following words are added to Peril 5 after the word "vehicles": "not caused by any contractor or sub-contractor or employees thereof whilst engaged in connection with the said erection and/or completion and/or alteration",
- e) Sections B, D, F, G and H are cancelled.

4. CONSEQUENTIAL LOSS

This policy does not cover consequential loss or damage of any kind whatsoever except loss of rent as provided by Section C.

5. DEFECTIVE DESIGN, LACK OF MAINTENANCE AND COST OF MAINTENANCE

This policy does not cover loss of or damage caused by or attributed to defective design, defective workmanship, defective construction or defective material or lack of maintenance and the cost of maintenance of the insured property.

6. WEAR AND TEAR

This policy does not cover damage which occurs gradually over a period of time, including wear and tear.

7. FLOOR COVERINGS

The policy does not cover the replacement of floor coverings other than in the room or rooms in which the damage occurred.

8. COMPUTER LOSSES

General exception applicable to all sections of this policy insuring damage to property or the consequences of damage to property or any liability.

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

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

c) consequential loss,

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

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

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

Special Extension to General Exception 8

A. Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to below or indemnified by the Glass, Employer's Liability, Stated Benefits, Group Personal Accident or Motor section is not excluded by this General Exception.

The special perils that are not excluded for the purpose of this special extension are damage caused by,

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

(exclusions (d), (e) and (f) will not apply if so described and specifically insured as a separate item in the schedule)
2. aircraft and other aerial devices or articles dropped there from,
3. impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

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

B. General Exception 8 also does not apply to consequential loss as insured by any Business Interruption indemnity provided by this policy to the extent that such consequential loss results from damage to insured property by the perils referred to in Special Extension A above.

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- C. This special extension will not insure any loss, destruction, damage or consequential loss if it would not have been insured in the absence of this Computer Losses General Exception and this Special Extension.
 - D. This special extension shall not apply to any Public Liability indemnity.

9. ASBESTOS

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

GENERAL CONDITIONS

1. MISREPRESENTATION, MISDESCRIPTION AND NON-DISCLOSURE

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

2. OTHER INSURANCE

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

3. A. CANCELLATION

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

3. B. CONTINUATION OF COVER (where premium is payable by debit order)

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

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

- (a) each third
- (b) each sixth or
- (c) each twelfth calendar month following inception where premium is payable quarterly, half yearly or annually.

4. PREVENTION OF LOSS

The insured shall take all reasonable steps and precautions to prevent accidents or losses and shall exercise all reasonable precautions for the maintenance and safety of the property.

5. CLAIMS

- (a) On the happening of any event which may result in a claim under this policy the insured shall, at their own expense
 - (i) give notice thereof to the company as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured,
 - (ii) as soon as practicable after the event inform the police of any claims involving theft or (if required by the company) loss of property, and take all practicable steps to discover the guilty party and to recover the stolen or lost property,
 - (iii) as soon as practicable after the event, submit to the company full details in writing of any claim,
 - (iv) give the company such proofs, information and sworn declarations as the company may require and forward to the company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against the insured in connection with the event giving rise to a claim.

- (b) No claim (other than a claim under the business interruption, fidelity, stated benefits or group personal accident section or the personal accident assault extension under the money section, if applicable) shall be payable after the expiry of 24 months or such further time as the company may allow from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of the insured's legal liability to a third party.
- (c) No claim shall be payable unless the insured claims payment by serving legal process on the company within 6 months of the rejection of the claim in writing and pursues such proceedings to finality.
- (d) If, after the payment of a claim in terms of this policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, the insured shall render all assistance in the identification and physical recovery of such property if called on to do so by the company, provided that the insured's reasonable expenses in rendering such assistance shall be reimbursed by the company. Should the insured fail to render assistance in terms of this condition when called upon to do so, the insured shall immediately become liable to repay to the company all amounts paid in respect of the claim.

6. COMPANY'S RIGHTS AFTER AN EVENT

- (a) On the happening of any event in respect of which a claim is or may be made under this policy, the company and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the company to rely upon any conditions of this policy,
 - (i) take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence of the insured to the company to do so. The insured shall not be entitled to abandon any property to the company whether taken possession of by the company or not,
 - (ii) take over and conduct in the name of the insured the defence or settlement of any claim and prosecute in the name of the insured for 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. No admission, statement, offer, promise, payment or indemnity shall be made by the insured without the written consent of the company.
- (b) The insured shall, at the expense of the company, do and permit to be done all such things as may be necessary or reasonably required by the company for the purpose of enforcing any rights to which the company shall be, or would become, subrogated upon indemnification of the insured whether such things shall be required before or after such indemnification.
- (c) In respect of any section of this policy under which an indemnity is provided for liability to third parties, the company may, upon the happening of any event, pay to the insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled, and the company shall thereafter not be under further liability in respect of such event.

7. FRAUD

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

8. REINSTATEMENT OF COVER AFTER LOSS

In consideration of sums insured not being reduced where appropriate by the amount of any loss, the insured shall pay additional premium on the amount of the loss from the date thereof or from the date of reinstatement or replacement (whichever is the later) to expiry of the period of insurance.

9. BREACH OF CONDITIONS / WARRANTIES

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

10. NO RIGHTS TO OTHER PERSONS

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

11. COLLECTIVE INSURANCE

If this insurance is a collective insurance then the following amendment is made to General Condition 5 (a) (iv) above:

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

and General Condition 6 is substituted by the following:

“6. Company’s rights after an event

- a) On the happening of any event in respect of which a claim is or may be made under this policy, the leading insurer and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the insurers to rely upon any conditions of this policy,
 - (i) Take, enter or keep possession of any damaged property and deal with it in any reasonable manner. This condition shall be evidence of the leave and licence of the insured to the lead insurer on behalf of all insurers to do so. The insured shall not be entitled to abandon any property to the insurers, whether taken possession of by the leading insurer or not,
 - (ii) Take over and conduct in the name of the insured the defence or settlement of any claim and prosecute in the name of the insured for 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. No admission, statement, offer, promise, payment or indemnity shall be made by the insured without the written consent of the leading insurer,
- b) The insured shall, at the expense of the insurers, do and permit to be done all such things as may be necessary or reasonably required by the insurers for the purpose of enforcing rights to which insurers shall be or would become subrogated upon indemnification of the insured whether such things shall be required before or after such indemnification,
- c) In respect of any section of this policy under which any indemnity is provided for liability to third parties, the insurers may, in the case of any event, pay to the insured the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and the insurers shall thereafter not be under further liability in respect of such event.”

12. NATIONAL BUILDING REGULATIONS

The insured shall take all reasonable steps to ensure that all property insured, as defined, comply with the National Building Regulations and that plans were submitted to and approved by the local authority at the relevant time.

13. ALTERATION IN RISK

This policy shall be voidable with regard to that portion of the property insured in priority to the policy as a whole if there is alteration after the commencement of this insurance,

- (i) whereby the insured’s interest ceases except by operation of law unless such alteration has been agreed by the company,
- (ii) whereby the risk of accident, loss or damage is increased unless such alteration has been agreed to by the company.

14. FIRE PROTECTION

It is a condition precedent to liability under this policy that all fire fighting equipment or fire protection at the premises is installed, maintained and serviced in accordance with the Regulations contained in the National Building Regulations or any other regulations as may be contained in the respective Emergency Services By-laws.

GENERAL PROVISIONS

A. CLAIMS PREPARATION COSTS

The company will pay any amount reasonably incurred by the insured in producing and certifying any particulars or details required in terms of General Condition 5 but limited to the sum stated in the schedule.

B. FIRST AMOUNT PAYABLE

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

C. HOLDING COVERED

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

D. LIABILITY UNDER MORE THAN ONE SECTION

The company shall not be liable under more than one section of this policy in respect of liability, loss or damage arising from the same happening in respect of the same liability, loss or damage.

E. MEANING OF WORDS

The schedules and any endorsements thereto and the policy wording shall be read together, and any word or expression to which a specific meaning has been given in any part thereof shall bear such meaning wherever it may appear.

F. MEMBERS

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

G. PAYMENTS ON ACCOUNT

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

H. PREMIUM PAYMENT

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

I. SECURITY FIRMS

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

J. SCHEDULE SUMS INSURED BLANK

If, in a schedule of this policy, the sum insured, limit of indemnity or compensation is:

- (a) left blank or has no monetary amount stipulated against it,
- (b) reflected as nil or not applicable or not covered or no indemnity extended,

this means the defined event or circumstance shown in the schedule is not insured by the policy.

K. VALUE ADDED TAX

DEFINITION

VAT shall mean the amount of value added tax payable by the insured or the company to the Revenue authorities in the Republic of South Africa at the ruling rate.

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:

- (i) 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
- (ii) 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 the insured is 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 claims in terms of the policy, provided that the total amount payable for any defined event and 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 the insured is required to bear the first amount of any loss (the first amount payable), 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, and if appropriate, premiums, shall be adjusted accordingly.

L. 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 insurance information.

Information sharing will contribute significantly to limiting insurance fraud and to assess risks fairly, thus protecting the interests of all policyholders. This provision permits the company to store the insured information in the shared database and to verify any underwriting information against legally recognised sources of databases. The insured's right to privacy is a fundamental right that is included in the South African constitution. This right can, however, be restricted in certain circumstances. The 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 intend using it to prevent fraud and to underwrite risks fairly.

THE INSURED'S AUTHORISATION

The insured acknowledges 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 the insured's behalf and on behalf of any person the insured represents herein, the insured hereby waives any right to privacy with regard to any underwriting and claims information (including credit information) that the insured provides or that is provided by another person on the insured's behalf in respect of any insurance policy or claim made or lodged by the insured.

The insured acknowledges that the insurance information provided by the insured may be stored in the shared database and used as set out above as well as for any decision pertaining to the continuance of the insured's policy or the meeting of any claim the insured may submit. The insured consents to such information being disclosed to any other insurance company or its agents. The insured acknowledges that the information may be verified against legally recognised sources or databases.