



Staff Scheme

Domestic Insurance – Policy Wording



Underwritten by:

Zurich Insurance Company SA LTD,
Reg. No.1965/006764/06

Administered by:

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PREAMBLE

This domestic policy has been designed to meet your specific insurance requirements. We undertake to settle any claims you may have in terms of this policy promptly, fairly and with enthusiasm. This insurance contract is conditional upon and will only come into effect following payment of the premium by the insured and the receipt and acceptance by or on behalf of the Insurers.

Please ensure that you have read and are familiar with the contents of this document in order to know exactly what insurance cover you have to ensure that you are not disappointed in the event of claiming. If any of the information contained in this document is unclear, or should you require further information, please contact and communicate with your administrator.

As your premiums are automatically debited to your bank account every month, it is important that you inform your administrator of any changes relating to the account. Failure to do so may result in the lapsing due to non-payment of the premium.

IMPORTANT: Carefully read through this policy and schedule as soon as you receive it. If it does not meet your requirements, please return it to the office of issue immediately. Immediate notification must be given to the Company of any changes, which may affect the insurance provided by this policy.

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1. Introduction

1.1. THE AGREEMENT

This policy is a contract between you and the Insurer. On payment of the premium we will provide cover against the events defined in the applicable Sections, occurring during any period of insurance for which we accept a premium. The proposal for insurance, whether in verbal or written form, the policy certificate, the Underwriting requirements, the Excess structure and all endorsements are an integral part of this policy and should be read as such. Please check your policy certificate carefully upon receipt thereof, as you are responsible to verify the correctness of the information contained therein. You only enjoy cover in respect of those Sections reflected in the policy certificate.

1.2. YOUR INSURANCE COVER

Your Administrator will assist you to compile a cover combination to suit your needs.

Building	covers the structure of your house (including its outbuildings, fixtures and fittings) against loss or damage.
Household Contents	covers possessions in your home against unforeseen loss or damage.
All Risks	covers possessions you carry with you against accidental loss or damage occurring anywhere in the world.
Personal Accident	covers you against death or permanent disability caused by an accident occurring.
Personal Legal Liability	covers you against legal liability to third parties due to accidental death of or injury to other people or damage to their property.
Motor Vehicle (Incl. Motor Cycles, Caravans & Trailers)	you can choose to cover loss of or damage to your vehicle by any insured event. You can also choose to cover damage to other people's property and injury to other people caused by your motor vehicle. Your cover can therefore be Comprehensive; Third party Fire & Theft; or Third Party only.
Watercraft	covers your vessel (such as a yacht, boat or other small craft) against loss or damage when afloat or on shore. It also covers injury of other people or damage to their property caused by your vessel whilst afloat and which by law you are liable for.
SASRIA	Riot cover for insured events which occur in the Republic of South Africa. You are automatically covered for loss or damage, including malicious damage, caused by any person or group of people

acting in a riot, strike, lockout, civil commotion or any other act with a political, social or economic aim. It applies to the Household Contents, All Risks, Motor Vehicle, Motor Cycle, Caravan, Trailers, Water & Leisure craft and Building Sections. The risks excluded by General Exclusions 1 will be provided by a joint group certificate of the South African Special Risks Association, which is held by the Insurer.

1.3. YOUR INSURANCE CONTRACT DEFINITIONS

**The Insured/You
Yourself/Your**

The person/s named as the insured in the policy certificate, or his/her/their legal representative, unless stipulated otherwise in any Section of this policy. The contract of insurance will at all times be between the person and us named in the policy certificate.

**The Insurer/We/Us/Our/
The Administrator**

The Insurer, Zurich Insurance Company SA Ltd., the insurance administering company who acts as your intermediary with the Insurer and who has the right to administer your policy.

**Any member of your
Family**

Your spouse, parents, children, any member of your family, all of whom normally reside with you and are financially dependant upon you.

**Events
First amounts payable**

Any series of events arising from a single cause.

The excess amounts payable in respect of any claim. These amounts are indicated in the policy certificate (sometimes called the "excesses").

Policy Certificate

The certificate which sets out your cover, the first amounts payable by you, the sums insured under each Section and your premium.

**Term of a Policy
Certificate**

From the date of inception of the policy certificate to one of the following dates, whichever is the earliest: The end of the period for which your premium has been paid, or the last day of the period for which premium was received in the event of non-payment (reinstatement will follow at our discretion after receipt of the next premium) or the date on which your participation is cancelled by you or us.

Construction

Standard construction, roof:

Corrugated iron, asbestos, tile, slate. Thatch, grass, bamboo and/or wood shall be considered non-standard construction of the roof.

Standard construction walls:

Brick, cement, concrete, stone. Asbestos, wood, bamboo, corrugated iron and precast walling

	(except for boundary walls) shall be considered non-standard construction in respect of walls. Any other construction not mentioned above will be regarded as non-standard, unless specifically classified otherwise by us.
Interpretation of the Policy and Schedule	The Schedule and its annexures are all part of this policy and must be read as one document and any word or expression given a specific meaning shall have such meaning wherever it appears.
Insurable Interest	You may only insure property in which you have an insurable interest. You only have an insurable interest in an item if you will suffer a direct financial loss if the item is lost or damaged.
Observance of Policy Terms	The policy is a contract between you and the Insurer and the Insurer will only be liable to indemnify you if and on condition that the Terms and Conditions contained in the policy are strictly complied with at all times and in all respects.
Verification of cover and Proof of ownership	You must carefully check all the details in your policy certificate and contact your administrator immediately if any details are not correct. You must also make sure that your sums insured are realistic and that you are neither over- nor under-insured. If at any time of any loss or damage the sum insured is inadequate, we will only pay a proportionate amount of the loss. You must always keep receipts, proof of payment and valuation certificates of your possessions because we may ask you to prove that you own any item and also to prove the value of your possessions.
Indemnification	Subject to the first amounts payable (the excesses), we will at our option and sole discretion repair, replace or pay for the amount of loss or damage insured. You will be placed as close as reasonably possible in the same position as prior to the loss, subject to the Provisions and Conditions contained herein and unless stipulated otherwise in any section of the policy.
Salvage	Salvage is the property saved after an insured event. We may enter any building where loss or damage has taken place and deal with any salvage in a reasonable way. However, you may not abandon any property to any other person or us when an insured event occurs.
Average	(Applicable to the Household, Building and watercraft Sections only) It is your duty, at all times, to insure for the full replacement value of the property covered under

this policy. If at any time of any loss or damage the sum insured is inadequate. We will only pay a proportionate amount of the loss.

For example:

Loss	R25 000
Sum Insured	R50 000
Replacement value	R100 000
Settlement	$R25\ 000 \times R50\ 000 / R100\ 000$ = R12 500 (i.e. 50% underinsured)

Territorial Limits

The Insurer will not be liable for loss, damage, injury or liability caused, sustained or incurred outside the territorial limits of the Republic of South Africa, Lesotho, Botswana, Swaziland, Namibia, Zimbabwe, Zambia and Mozambique.

2. General Provisions and Conditions

2.1. ACCURACY OF INFORMATION

The proposal and declaration signed by the Insured are the basis of, and form part of this policy. If the information provided by the Insured was inaccurate or incomplete, the insurance cover and the Policy as a whole will be considered to have been invalid from the outset – unless the Administrator agrees otherwise and it has been recorded by means of a signed amendment issued by the administrator.

It is the Insured's responsibility to inform the Administrator of information that increases the risk, and that takes place during the time the insurance is in force.

The Administrator must therefore immediately be notified in writing of any such change. In case of such notification they reserve the right to increase the premium, amend the scope of cover or restrict cover with effect from the date of the change.

2.2. PAYMENT OF PREMIUM

You must pay your premium strictly on or before the due date each month. We may also, at our discretion, charge pro-rata premiums for cover granted.

Remember that your premium is payable in advance and that you will only be covered for that period in respect of which your premium has already been paid. It is your duty to check and make sure that you have paid your premium. If the premium is not received by us on the due date, your policy will be considered cancelled from 24:00 on the last day of the month for which premium was received. If your premium is paid late, in other words after date on which it was due, it will be our sole discretion whether or not to accept liability in respect of any claim which arises during the relevant period of insurance. You must also inform us immediately if you change your bank account.

2.3. COMMENCEMENT, CANCELLATION, TERMINATION AND CHANGES

2.3.1. COMMENCEMENT

This policy starts and the agreement of insurance between you and the Insurer becomes effective only upon your application for insurance being

accepted, in which event your insurance cover will commence on the date specified in the policy certificate. The policy will be effective only in respect of those periods for which premium has been paid by you and received by the Administrator.

2.3.2. CANCELLATION

The policy is automatically cancelled with effect from midnight on the day preceding the first day of the period in respect of which your premium was not paid or became overdue.

You may cancel this policy by giving thirty (30) days written notice and the Administrator may cancel the policy by giving you thirty (30) days written notice. If the notification was sent by registered mail, we regard the notice as received by you after five (5) days from the date it was posted to you at your last known address.

2.3.3. CHANGES TO THE POLICY

We will notify you in writing of any changes to your policy. If you want to change any of your details as reflected in the policy certificate, you must notify your broker of such changes. We must first accept those changes before the new cover can become effective. Your administrator will confirm the changes by sending you a new policy certificate as soon as practically possible. It is your responsibility to verify the covered items and insured amounts and inform your administrator within fourteen (14) days of receipt of the changed certificate of any changes required. Should your administrator not hear from you within fourteen (14) days, it will be regarded that the cover is correct.

2.4. TRANSFER OF RIGHTS

Only you (or your executors) have any rights against the Insurer's. You may not transfer your rights under this policy to anyone else.

2.5. FRAUDULENT CLAIMS

If any claim under this Certificate is in any way fraudulent or if any fraudulent means are used by you or anyone acting on your behalf to obtain any benefit under this certificate or if any of the perils insured against in terms of this certificate are occasioned by your intentional act or with your connivance. All benefits under insurance and the premiums paid in terms of this certificate shall be forfeited, and this policy shall be void at our option.

2.6. MISREPRESENTATION, MISDESCRIPTION OR NON-DISCLOSURE

You or any other person acting on your behalf must always tell us everything we need to know for the purpose of assessing your insurance risk, premium or a claim. This applies not only when you apply for insurance, but also when you change address, cover, insured or responsible persons (refer to INSURABLE INTEREST), insured amounts or have a claim. We will not pay your claim if the risk has materially increased due to any reason whatsoever without you having notified us thereof and us accepting the increased risk. Misrepresentation or Non-disclosure of any material facts entitles us to avoid liability on the entire policy or a particular risk or Section of the policy affected.

2.7. PREVENTION OF LOSS, DAMAGE OR LIABILITY

You or anyone that is insured by this policy must take reasonable steps and precautions to prevent and mitigate accidents or losses. You may effect emergency repairs to your property following an insured event to prevent further damage, provided that the cost of emergency repairs does not exceed 5% of the sum insured or R 1500, whichever is more.

2.8. ONUS OF PROOF

In the event of a claim we may require proof, at our sole discretion and to our satisfaction, of both ownership and value of any insured property. Should we repudiate liability as a result of breach of conditions, the burden of proving the contrary will rest on you. We will allow fourteen (14) days after repudiation on these grounds for you to provide any proof required.

2.9. OTHER INSURANCE POLICIES

If any loss, damage or liability is covered by any other insurance policy, we will pay only our rateable portion, unless it is a claim under the Personal Accident Section (where this term will not apply).

2.10. ARBITRATION

Should any dispute arise between the insured and the Insurer as to the amount of any claim under this policy, liability having already been admitted by the Insurer for the claim in principle. Such dispute must be referred to arbitration within fourteen (14) days of the dispute arising in accordance with the Arbitration Act 42 of 1965 (as amended).

2.11. PRESCRIPTION

We will not be liable for any claim after twelve (12) months have expired from the date of the event giving rise to the claim, unless the claim is subject of pending legal action.

If we reject any claim, summons must be issued and served on us within ninety (90) days from the date of such repudiation, failing which we will have no further liability in terms of this policy.

2.12. GENERAL UNDERWRITING AND THE EFFECT OF CLAIMS

We have the right to revise the premium and/or underwriting conditions after a claim or upon revision of the policy terms. You will at all times be notified of changes in premium or underwriting conditions.

2.13. CLAIMS PROCEDURE

YOU MUST:

- 2.13.1. Notify us immediately, but in any event within thirty (30) days, in writing of any event which may give rise to a claim and as soon as possible thereafter send to the Administrator such details, proof and documentation as they may require.
- 2.13.2. Immediately after receipt forward to the Administrator any documentation,

- details or any communication you may receive in connection with the event.
- 2.13.3. To take all reasonable steps to prevent further damage or loss.
 - 2.13.4. Declare any other insurance, which may cover the same loss.
 - 2.13.5. Notify the South African Police Services immediately, but in any event within twenty-four (24) hours of any theft of property, or of any accident involving an insured vehicle.
 - 2.13.6. Give all assistance in the identification and physical recovery if any lost or stolen property for which we paid, is located. After indemnification, any recovered expenses in rendering such assistance in terms of this condition when called upon to do so, will be reimbursed. Failure to give assistance in terms of this condition will result in you immediately becoming liable to repay all amounts paid in respect of the claim.

2.14. SUBROGATION

Subrogation means that we are entitled to act on your behalf against third parties to recover any loss they may have caused to you and the Insurer.

Therefore, after the occurrence of any insured event we have, at our sole discretion, the right to:

- 2.14.1. take over and conduct the defence or settlement of any claim in your name or the name of any other person covered by this policy
- 2.14.2. you must provide all information and assistance needed by us should we desire to claim from other parties.
- 2.14.3. limit payment in respect of your liability to third parties to the applicable indemnity limit stated in the policy.
- 2.14.4. We may assume responsibility over the department and conduct the defence, institution of legal action, settlement of any claim and have the right to use your name for this purpose.
- 2.14.5. Take, enter or keep possession of any insured property in respect of which a claim has been lodged and deal with it in any reasonable manner.

You may not negotiate, pay, settle, admit or repudiate any claims without our written consent or unilaterally abandon any property to us.

2.15. INFLATIONARY ADJUSTMENT OF INSURED AMOUNTS

We will, at our option, increase the insured amounts in respect of your Contents and Buildings cover on an annual basis. We will determine the percentage necessary to represent the inflationary appreciation of the value of your property and, therefore, sums insured.

2.16. PRECAUTIONARY MEASURES

If you are receiving a premium discount for precautionary measures at any time during the period of insurance, or any such measure is a pre-requisite for cover, and these measures are not in place at the time of loss or damage, for which a claim is submitted, we reserve the right to repudiate such claim.

2.17. CLAIM FREE GROUP

When the Company is not required to pay a claim during the period stated in the following table prior to the renewal date for annual policies or the anniversary date for non-annual policies the premium for the Vehicle (other than a trailer or caravan) for the next period will be charged at the Company's rates for the claim free group concerned:

PERIOD:	CLAIM FREE GROUP:
Less than 12 months	0
Not less than 12 months	1
Not less than 24 months	2
Not less than 36 months	3
Not less than 48 months	4
Not less than 60 months	5

2.18. SCHEDULE SUMS INSURED LEFT BLANK

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

- 2.18.1. left blank or has no monetary amount stipulated against it
 - 2.18.2. 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.

3. General Exclusions

WE WILL NOT BE LIABLE FOR:

3.1. COVER PROVIDED BY SASRIA

Loss of or damage to property or bodily injury related to or caused by:

- 3.1.1. 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 above;
- 3.1.2. War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
- 3.1.3. Mutiny, military uprising, 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; insurrection, rebellion or revolution.
- 3.1.4. Any act (whether on behalf of any organization, 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 revolution.
- 3.1.5. Any act which is calculated or directed to bring about loss or damage or bodily injury, 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;

- 3.1.6. Any attempt to perform any act referred to in Exclusion clauses 3.1.4 or 3.1.5 above;
- 3.1.7. The act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in Exclusion clause (3.1.1) to (3.1.6) above.
If we allege that by reason of clause (3.1.1) to (3.1.7) of this Exception loss or damage is not covered by this policy the burden of proving the contrary shall rest on you the Policyholder.

3.2. WAR AND NUCLEAR RISKS

- 3.2.1. Loss or damage caused directly or indirectly:
 - 3.2.1.1. By or arising from nuclear weapons material
 - 3.2.1.2. Ionizing, radiation or contamination by radioactivity from any nuclear fuel or from any nuclear waste or from the combustion of nuclear fuel (the term "combustion" being understood to include any self-sustaining process of nuclear fission).
 - 3.2.1.3. War, invasion, act of foreign enemy hostilities or warlike operations (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power, martial law or state of siege or any other event or cause that determines the proclamation or maintenance of martial law or state of siege.
- 3.2.2. If the Insurer allege that by reason of any of the Exclusions in clause 2 above, loss of/or damage is not covered by this policy, the burden of proving the contrary shall rest upon the Insured.
- 3.2.3. Loss of/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. No 85 of 1976.
- 3.2.4. Loss of/or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- 3.2.5. Consequential loss or damage except as specifically provided.

Furthermore, this policy does not cover any loss, destruction, damage or liability arising from the following:

- 3.2.6. Gradual causes such as wear and tear, depreciation, mildew, fading, the action of light or atmospheric conditions, moths, insects or vermin.
- 3.2.7. Any loss or damage caused intentionally by you or with your knowledge.
- 3.2.8. Trickery (lies or fraud perpetrated by anyone with the purpose of depriving you of the ownership of any insured property).
- 3.2.9. More than the sums insured or limits of indemnity specified in this document or the policy certificate.
- 3.2.10. The excess amounts payable as indicated in the policy certificate
- 3.2.11. Any claim arising from contractual liability, unless the liability would have attached in the absence of the contract.
- 3.2.12. Directly or indirectly caused by or any liability arising from any computer hardware or software or other electronic equipment not being able to recognise or process any date as the true calendar date.

3.3 Asbestos Exclusion

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.

3.4 Computer Loss General Exception

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 special exclusion 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) 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) 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 data or
- ii) to capture save retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture save retain or correctly to process such data in regard to or in connection with any such 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
- 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 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 the above General Exception

- A 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 or indemnified by the Glass, Employer's Liability, Stated Benefits, Group Personal Accident or Motor section is not excluded by this General Exception.
- B 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 described and specifically plant designed to exist or operate in the open);
 - e) in any structure not completely roofed;
 - f) being retaining walls;
- } Unless so insured as a separate item
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.

- C. The above General Exception 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 A above.
- D. 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 Exception and this Special Extension.
- E. This Special Extension shall not apply to any Public Liability indemnity.

4. Section 1 - Buildings

4.1. PROPERTY COVERED

Buildings mean the Insured's private residence at the address shown in the policy schedule. The building is constructed of brick, stone or concrete, and roofed with slate, tile, concrete, asbestos or metal (unless otherwise stated in the Schedule and approved by the Administrator).

The Building includes the following:

- all private garages and outbuildings
- tennis courts
- paved driveways and patio's
- swimming pools including fixed filtration plant, water pumping machinery (not automatic pool cleaners)
- walls, gates and fences as well as hedges
- underground water, gas and sewerage pipes and electrical and phone cables
- radio or television masts, aerials or satellite dishes

And the fixtures and fittings, which would normally be sold with it and belonging to you or for which you, are responsible.

4.2. EVENTS COVERED WITH EXCLUSIONS

For the *insured events* below, we will pay for the replacement value or the cost of repairing up to the sum insured.

We will cover loss of or damage to the insured buildings caused by:

- 4.2.1. Fire, lightning, explosion and thunderbolt.
- 4.2.2. Earthquake.
- 4.2.3. Storm, wind, flood, water, hail or snow, but excluding loss of or damage to gates, gateposts, fences or retaining walls.
- 4.2.4. Aircraft and other flying objects or articles dropped from them, but **excluding** loss or damage caused by sonic shocks.
- 4.2.5. Bursting or overflowing of water tanks, equipment or pipes, including damage to the said equipment, but **excluding** loss or damage caused by rust or normal wear and tear.
- 4.2.6. Oil or water leaking from oil-fired or water heating installations, but **excluding** loss of or damage to the heating systems themselves.
- 4.2.7. Impact by animals, vehicles, television aerials or radio masts and falling trees, **excluding** whilst such trees are being felled or topped and on to gates or fences.
- 4.2.8. Theft or attempted theft of any fixtures and fittings, **excluding** if the house is unoccupied for more than sixty (60) days during any 12-month period, or while the house is lent, let or sub-let, unless there are signs of forced and violent entry or exit and provided that the Administrator has been advised that the property will be unoccupied for more than sixty (60) days.
- 4.2.9. Malicious Damage (as defined) shall mean loss or damage caused by or through the deliberate wilful or wanton act of any person but excluding:
 - (a) loss or damage caused by theft or attempt thereof
 - (b) consequential loss of any kind other than the loss of rent if insured
 - (c) loss or damage caused by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority
 - (d) Any occurrence referred to in General Exclusions A 1.

Excluded events for loss or damage caused by the following:

- 4.2.10. Vermin, insects, termites, scratching, denting, chipping, defacing, damp or the process of cleaning, dyeing, bleaching, altering, repairing, restoring.
- 4.2.11. Scratching, biting, chewing, tearing or soiling by domestic pets.
- 4.2.12. Roots or weeds to underground pipes, tennis courts and driveways.
- 4.2.13. Gradually operating causes such as but not restricted to wear and tear, rust, mildew, corrosion, damp, wet or dry rot (please note – wear and tear to geysers and valves is specifically excluded).
- 4.2.14. Cracking of the building.
- 4.2.15. Mechanical or electrical breakdown or derangement.

4.3. SPECIAL TERMS**4.3.1. Replacement Value and Market Value**

If we deal with the claim by replacing or repairing the house, the amount we will pay will be the cost of rebuilding the house or repairing it with similar materials. The replaced or repaired house must be of the same kind and on the same site (or even a different site if our liability is not increased) as the damaged, insured house.

Provided that, if at the time of loss or damage, the cost of replacing the property insured is greater than the sum insured, the Insured will be his own insurer for the difference, and will bear a rateable proportion of the loss or damage.

You must notify us of your intention to rebuild or repair the house within six (6) months of the insured event. The rebuilding must be finished not more than twelve (12) months after the loss or damage or within a longer period if we agree to this in writing, at any time during the 12-month period.

4.3.2. Mortgagees

If any mortgagee increases the risk without the mortgagor's knowledge, the cover will not be invalidated, provided you advise us as soon as possible.

4.3.3. Capital Additions and Alterations

You are automatically covered for up to 20% of the insured for any alterations, additions and improvements made to the property, subject to you advising us at the end of each quarter of such changes. You may be required to pay a proportionate additional premium.

4.3.4. Non-Standard Construction

Any non-standard construction main dwelling or other non-standard construction should be declared. The cover in respect of such a building or construction is subjects to approval and should be specified on the schedule.

4.3.5. Limitations of Cover

The first amount payable by the insured as stated in the schedule.

The amount payable for fitted carpets and geysers will be calculated at the current replacement costs, less the applicable excess stated in the schedule.

4.3.6. Accidental Damage to Public Supply or Mains Connections

Accidental damage to water, sewerage, gas pipes or electricity and phone cables and other underground pipes the property of the insured or for

which he is legally responsible between the property insured and the public supply or mains.

- 4.3.7. **Accidental Breakage of Glass and Sanitary Ware**
Accidental breakage of fixed glass and sanitary ware in your house, but **excluding** chipping, scratching, discoloration, disfiguration or accidental breakage if the house is unoccupied or unfurnished.
- 4.3.8. **Lost Rent**
Loss of rent or the reasonable cost of other emergency accommodation because the house is unfit to live in after loss or damage caused by any insured event mentioned above. The amount we will pay is based on the reasonable cost of alternative accommodation or rent receivable or payable for the period necessary for the reinstatement of the dwelling, but limited to 10% of the sum insured as specified in the schedule and not longer than any period necessary for repairs.
- 4.3.9. **Fire Brigade Charges**
All reasonable charges levied by any local fire brigade or other authorised body after an insured event.
- 4.3.10. **Rebuilding Costs**
The municipal plan scrutiny fees, charges for demolishing the house, removing debris and making the site safe. These costs are included in the repair or replacement costs (the sum insured).
- 4.3.11. **Watchmen**
The insurer indemnifies the insured for up to R 2000 for costs reasonably incurred in employing watchmen following an event-giving rise to a valid claim.

4.4. OPTIONAL COVER

The following cover is available at an additional premium:

SUBSIDENCE AND LANDSLIP

Loss of or damage to the property insured as a direct result of subsidence or landslide, but **excluding** damage caused by or attributable to:

- 4.4.1. faulty design or construction of any building or the removal or weakening of support thereto;
- 4.4.2. workmen making structural alterations, additions to or removals from any building;
- 4.4.3. excavations on or under land other than in the course of mining operations;
- 4.4.4. loss of or damage to boundary walls, gates, posts, fences, retaining walls, drains or water courses;
- 4.4.5. the first portion of each loss calculated at 1% of the sum insured or R 2000 (whichever is more).

5. Section 2 - Contents

5.1. PROPERTY COVERED

Personal property of any description which belongs to you or your spouse or for which you or your spouse is legally responsible, or to any other member of your family who lives with you and is financially dependant on you, or to your domestic employees whilst in the buildings (the house and outbuildings) at the address shown in the policy certificate.

5.2. EVENTS COVERED WITH EXCLUSIONS

The Insurer will at its discretion repair, replace or pay for loss or damage to the Insured's moveable personal property (house contents) but excluding such property insured as specified items, whilst contained in the building/s at the address specified in the schedule constructed of brick, stone or concrete and roofed with slate, tile, concrete, asbestos or metal (unless otherwise specified in the schedule and approved by the Administrator) caused by the following insured events:

- 5.2.1. Fire, lightning, thunderbolt, explosion
- 5.2.2. Storm, wind, water, hail or snow **excluding** loss or damage to property in the open or arising out of any process necessarily involving the use or application of water
- 5.2.3. Bursting, leaking or overflowing of fixed oil-fired heating apparatus
- 5.2.4. Earthquake, **excluding** loss or damage arising directly or indirectly from mining
- 5.2.5. Impact
- 5.2.6. Theft or attempted theft from the private residence, domestic outbuildings and garages, or from any other private residence stipulated on the schedule, any building in which the insured is temporarily residing, any building in which the Insured is employed or any furniture storage depot or safe deposit in a bank:
Provided there are visible signs of forcible and violent entry into or exit from the buildings.
- 5.2.7. Malicious Damage (as defined)
Malicious Damage shall mean loss or damage caused by or through the deliberate willful or wanton act of any person but excluding
 - (a) loss or damage caused by theft or attempt thereof
 - (b) consequential loss of any kind other than the loss of rent if insured
 - (c) loss or damage caused by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority
 - (d) Any occurrence referred to in General Exclusions A 1.

Insurance under this section does not cover any of the following events:

- 5.2.8. Theft or attempted theft, malicious damage to, or loss or damage caused by the escape of water when the building is unoccupied for longer than the period stated in the schedule and no more than sixty (60) consecutive days.
- 5.2.9. Theft or attempted theft, if such theft is of money for legal tender or is in any outbuilding, office, business, trade or club premises lent to or let by

the insured, unless there are signs of forced and violent entry or exit from the premises, or by violence or threat of violence to the Insured.

5.2.10. Theft from a dwelling whilst let or sub-let, unless there are visible signs of forcible and violent entry into or exit from the buildings.

5.2.11. Loss or damage caused by:

- 5.2.11.1. Theft by any tenant or sub-tenant (or family or servants of such tenant or sub-tenant)
- 5.2.11.2. Vermin, insects, termites, scratching, denting, chipping, defacing, damp or the process of cleaning, dyeing, bleaching, altering, repairing or restoring
- 5.2.11.3. Scratching, biting, chewing, tearing or soiling by domestic pets
- 5.2.11.4. Gradually operating causes such as but not restricted to wear and tear, rust, mildew, corrosion, damp, wet or dry rot
- 5.2.11.5. Subsidence or landslide
- 5.2.11.6. Mechanical or electrical breakdown or derangement
- 5.2.11.7. Property more specifically insured (specified items).

5.3. SPECIAL TERMS

5.3.1. Basis of Settlement

If the sum insured under this Section is adequate, indemnification will be based on the cost of replacing your property with new items of the same kind or type (therefore on a "new-for-old" basis). Provided that, if at the time of loss or damage, the cost of replacing the property insured as new is greater than the sum insured, the Insured will be his own insurer for the difference, and will bear a rateable proportion of the loss or damage.

5.3.2. Furniture Storage

You must tell us within seven (7) days of removing your property to a furniture storage place. If you do not tell us, your cover will be limited to 15% of the sum insured for contents.

5.3.3. Jewellery and other Valuables Limitation Clause

We will not pay more than 30% of the sum insured in respect of contents for all platinum, gold and silver articles, jewellery and furs which are damaged or stolen at your home and which are not specifically insured. Items not specified under the All Risk section will be limited to R5 000 in respect of any one item. The Insured shall be responsible for producing updated valuation certificates every two (2) years.

5.3.3.1 Safe Warranty

It is hereby warranted that all items of jewellery and watches to the value of R10 000 or more be kept in an SABS approved safe, mounted to the wall in a locked cupboard at the insured's premises, whilst not in use. The Insured shall be responsible for producing updated valuation certificates every two (2) years.

5.3.4. Contents in a Building of Non-Standard Construction

- 5.3.4.1. You must notify us and declare if the main dwelling is of non-standard construction. The cover in respect of contents in such construction is subject to approval.
- 5.3.4.2. The cover in respect of contents in a non-standard outbuilding or other non-standard outside construction will not be covered in the event of a loss, unless agreed otherwise.
- 5.3.4.3. Should any non-standard outbuilding or other non-standard outside construction be connected or immediately adjacent to the

main dwelling, the cover in respect of the contents in both the main dwelling and such outbuilding and other construction will be subject to our approval.

5.3.5. Accidental Damage

Accidental damage is included under this section but accidental damage to contents will be limited to R10 000.00 per claim.

5.3.6. Laptop and Cell Phone Exclusion

Laptops, Cellular Phones and accessories are excluded under this section and these items have to be specified under the all risk section.

5.4. COVER EXTENSIONS (No excess will be applied on these extensions)

In addition the Insurer will pay:

5.4.1. Credit Cards

A maximum of R 5000, for which the insured is liable following the loss of his credit, charge, debit or similar card, provided he complies with the conditions under which the card was issued.

5.4.2. Accidental Death

R 15000 if the Insured is injured by fire or thieves and dies within three months as a result of such injury and where such injury is as a direct result of external and visible violence caused by thieves or fire while in the dwelling or its grounds.

5.4.3. Contents of Deep Freeze or Refrigerator

The Insurer will indemnify the Insured to a maximum of R 5000 for spoilage of the contents of any deep freeze or refrigerator as a result of mechanical or electrical breakdowns/ failures or failure of electricity supply.

5.4.4. Medical/Veterinary Expenses

Medical and veterinary expenses (not otherwise insured) incurred as a result of accidental bodily injury sustained by any:

- 5.4.4.1. Person other than the insured and caused by a domestic animal owned by the insured.
- 5.4.4.2. Any domestic servant arising from his employment by the insured.
- 5.4.4.3. Guest or visitor arising from any defect in the buildings of the private dwelling.
- 5.4.4.4. Domestic animal owned by the insured arising from a road accident.

This section will be limited to R 5000.

5.4.5. Property of Guests and Domestic Employees

Up to 1% of the sum insured for any one person in respect of the value of moveable personal property, excluding money, not otherwise insured, belonging to guests, visitors and domestic employees of the insured, lost or damaged by an insured event.

5.4.6. Property in the Open (within the fenced area)

Loss of laundry, garden and swimming pool furniture/ implements from the grounds, domestic outbuildings and garages of the dwelling – up to a maximum of R 5000 per occurrence.

5.4.7. Property in Transit

Loss or damage to property due to fire, lightning or theft, provided such theft is accompanied by visible forcible and violent means, whilst:

- 5.4.7.1. Temporarily in the building of any laundry or other trade premises for the purpose of maintenance, renovating, repair, cleaning or dyeing to a maximum indemnity of R 10 000
- 5.4.7.2. Temporarily in any office, business or trade premises where the insured is permanently employed, or hotel or similar accommodation at which the insured is temporarily residing
- 5.4.7.3. In transit during the process of removal consequent upon permanent change of residence by professional movers, or in transit to or from any bank safe deposit or furniture depository, provided that the insurer is notified prior to transit, removal or storage.
- 5.4.8. Rent
Up to 25% of the sum insured for rent payable or the cost of alternative accommodation if the Insured's residence is made uninhabitable as a result of a valid claim.
Payment will not be made for longer than the period required making the residence habitable, and the total payment shall not exceed 20% of the sum insured.
- 5.4.9. Watchmen
Up to R 2000 for costs reasonably incurred in employing watchmen following an event-giving rise to a valid claim.
- 5.4.10. Glass, Television Sets, audiovisual Equipment and Personal Home Computers
If the property insured in the dwelling is made of, or contains mirror glass, or glass in or on furniture or is a television set, audio visual equipment or a personal home computer and such items are accidentally damaged (excluding mechanical or electrical breakdown), the Insurer will indemnify the insured for the costs, provided the insured pays the excess as detailed in the schedule.
- 5.4.11. Keys
Costs reasonably and necessarily incurred as a direct consequence of any keys or locks for the private dwelling being lost or damaged up to R 1500.
- 5.4.12. Groceries
If groceries or household goods belonging to the insured being conveyed in a motor vehicle directly from the place of purchase to the dwelling by the insured, and such groceries are lost or damaged as a result of an accident in which the carrying vehicle is involved, or by theft from the carrying vehicle accompanied by signs of forced and violent entry or exit. The Insurer will indemnify the Insured limited to R 1000 for any one event.
- 5.4.13. Stamp and Coin Collections and Personal Documents
Loss of or damage to stamp and coin collections and personal documents (personal deeds, medals, antique books, wills, agreements, maps, manuscripts, plans and certificates), but limited to R 1000 per any one event. Excluding the value of information contained in any lost or damaged document or damage, which happens away from the home.
- 5.4.14. Loss of Money
Loss of money, but only if accompanied by signs of forced and violent entry or exit into or out of the home, and limited to R 500 for any one event.
- 5.4.15. Privately Owned Office Equipment
Loss or damage to office equipment in the Insured's residence, owned by

the insured in his private capacity, or equipment for which the insured is responsible, but excluding loss or damage to software or data, is limited to R 10 000.

5.5. OPTIONAL COVER

The following cover is available at an additional premium:

SUBSIDENCE EXTENSION

- 5.5.1. This section is extended to include destruction or damage to the dwelling caused by any movement of the land supporting the dwelling, provided such movement is not caused by excavations on or under land other than mining excavations, or as a result of alterations, additions or repairs to the dwelling.
- 5.5.2. The Insurer will not be liable for destruction or damage to paths, driveways, drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences or to the dwelling, caused by defects in either its design or construction.
- 5.5.3. The Insurer will not be liable for the first R 5000 of each claim.

6. Section 3 – All Risks

6.1. UNSPECIFIED ALL RISKS

6.1.1. Property Insured

The Company agrees to indemnify the To a maximum of R1000.00 per item against:

Loss or damage to the property stated in the schedule belonging to the Insured, his wife or his children who are financially dependent upon him and normally residing with him caused by any accident or misfortune arising from any fortuitous circumstances which is not excluded in terms of any exception which is applicable to this policy or to this section.

6.1.2. Definition

WEARING APPAREL AND PERSONAL EFFECTS MEANS:

- Clothing and articles generally worn or carried by you including pens, pencils, powder compacts, cosmetics, cigarette cases and lighters, jewels and jewellery, personal ornaments, watches, cuff-links, furs, gold and silver articles and other similar articles, all the aforementioned property which is usually carried on the person, and further more, electric and other razors, hairdryers, umbrellas, handbags, briefcases, pocket calculating machines and also trunks, suitcases and other containers in which the aforementioned property is kept whilst travelling.
- Push carts, carry cots and other carriers for children, purchases for children, purchases of clothing, groceries and foodstuffs, domestic goods, picnic baskets (and contents) and travelling rugs.
- Sporting equipment normally held or used by the person participating in sport

Excluding contact or micro corneal lenses, car radios/tape/compact disc players, tapes and compact disks, television sets, computer equipment

such as laptops and accessories and palm-tops. Mobile phones such as cellular phones and car phones, video cameras and accessories, and video tapes, money and negotiable documents, self propelled vehicles and vehicle spare parts and accessories, pedal cycles, aircraft, water craft, parachutes, hang-gliders, windsurfs and fire arms.

6.1.3. Basis of Settlement

Clothing and Personal Effects and specified all risks items forms the basis of settlement. The Insurer will, at its discretion, repair, replace or pay for the Insured's personal property that has been accidentally lost or damaged.

6.2. SPECIFIED ALL RISKS

Accidental loss or damage to your personal possessions specified in the schedule arising from any fortuitous circumstance which is not excluded.

Definition of Specified All Risks Items

Any item with a value in excess of R1000 and or specifically excluded must be separately specified in the Schedule. The Insurer will require proof of value of ownership of specified items to be produced at the time of the claim and without which no claim will be entertained. Valuation certificates for jewellery specified under this section must have been issued no longer than 24 months previously and must comply with the SA Jewellers Association Code. Calibre, make, model and serial number of any photographic equipment and firearms must be detailed on the schedule.

Accidental loss of or damage to the following items will include:

6.2.1. Contact Lenses

Contact lenses/spectacles and hearing aids if they are replaced after loss or damage will only be covered if specified, **excluding** the cost of re-examining your eyes, the cost of prescription for the contact lenses or spectacles, loss or damage to your contact lenses or spectacles while taking part in sport, or deterioration due to cleaning.

6.2.2. Tools in Vehicle

Non-standard car tools, spare parts and travel accessories, limited to a R 1000 unless specified **excluding** loss of or damage to these items when they are outside your motor vehicle.

6.2.3. Pedal Cycles

Pedal cycles including their accessories and parts will only be covered if specified in the schedule. This cover will include the pedal cycle, **excluding** loss of or damage to accessories and parts unless the pedal cycle is stolen, or to tyres caused by braking, punctures or theft while the pedal cycle is away from home and is unattended, unless the pedal cycle was securely locked to a fixed object.

6.2.4. Sound Equipment

Installed sound equipment in a vehicle (radios, cassette players, compact disc players and car telephone systems) if these are specified but excluding loss of or damage to cassettes or compact discs, except for the one or more contained in the stolen insured equipment at the time of the event. Detachable car sound equipment will be covered anywhere outside the vehicle if specified.

6.2.5. Cellular Phones

Cellular phones and car telephones/portable hands free car kits if specified but excluding the costs of a new contract. You should insure your cellular phone for the full replacement price exclusive of the contract price.

6.2.6. Baby Car Seats

We will insure your baby car seats whilst they are in your vehicle up to a maximum of R 500.00.

6.2.7. Stamp and Coin Collections

If a stamp and /or coin collection is specified in the all risks section of the schedule:

- (a) The liability of the Insurer for any one stamp or coin will not exceed two-thirds of the value stated in any current recognised catalogue up to a maximum of 5% of the sum insured of the collection or any stamp or coin.
- (b) The Insurer will only be liable if one or more complete pages of the collection are lost or damaged.
- (c) The Insurer will not be liable for more than the sum insured in the schedule.

6.2.8 Camping Equipment

Loss of or damage to all camping equipment have to be specified separately as Camping Equipment for not more than R 40 000.

6.2.9. Caravan Contents

Loss of or damage to all non-standard caravan contents have to specified separately as Caravan Contents for not more than R 40 000. We will not be liable for loss or damage caused by:

- (a) theft of contents whilst the caravan is occupied unless there is forcible and violent entry
- (b) stamp and coin collections, money, documents, jewellery, furs or any article more specifically insured.
- (c) The permanent fittings of the caravan
- (d) More than the rateable proportion of the loss or damage if at the time of loss or damage the cost of replacing the property insured as new is greater than the sum insured.
- (e) More than 20% of the caravan contents sum insured for any one article

6.2.10 Jewellery - Safe Warranty

It is hereby warranted that all items of jewellery and watches to the value of R10 000 or more be kept in an SABS approved safe, mounted to the wall in a locked cupboard at the insured's premises, whilst not in use. The Insured shall be responsible for producing updated valuation certificates every two (2) years.

6.2.11 Items that have to be specified (not covered under the contents section:)

All camping equipment, cellular phones and accessories, laptops and accessories, portable hands free car kits, bicycles and car radios must be specified irrespective of the value.

6.3. EVENTS NOT COVERED

The Insurer will not be liable for:

- 6.3.1. Mechanical, electrical/electronic breakdown, defect or failure.
- 6.3.2. Loss of or damage to software programs or data of personal portable computers unless separately specified.
- 6.3.3. Damage to watches and clocks by over-winding, denting or internal damage, unless caused by fire or theft.
- 6.3.4. Chipping, cracking or scratching of china, glass or glassware or other articles of a brittle nature (other than jewellery and cameras), unless caused by fire and theft.
- 6.3.5. Property lost from an unattended vehicle unless the property was concealed in a locked boot or compartment forming part of a locked vehicle and there are signs that the vehicle was broken into.
- 6.3.6. Loss or damage if you cannot give us a written valuation or other proof of ownership or value at the time of the loss or damage, for items you specify in excess of R2000. If not, the property will be regarded as unspecified items.
- 6.3.7. Wear, tear and depreciation.
- 6.3.8. Loss or damage caused by vermin, moths or gradually operating causes, or during any process of cleaning, dyeing or renovating or by confiscation or detention by any process of law.
- 6.3.9. The first amount of any claim payable as stated in the schedule.
- 6.3.10. Loss or damage to sports equipment whilst in actual use.
- 6.3.11. Loss of Portable Computers, Laptops and Notebooks, where there is no evidence of forcible and violent entry exit to the relevant premises.

6.4 SPECIFIC TERMS

Pairs and Sets

Should any article be part of a pair or set we will pay the value of the lost or damaged part the maximum amount payable being the proportionate part of the value of the pair or set.

Average

If at the time of any loss the Sum Insured in respect of articles not individually insured be less than the value of the property covered, the Insured shall be considered as being his own insurer for the difference and shall bear a rateable share of the loss accordingly.

If the loss of wearing apparel and personal effects (as defined) insured by this section occurs elsewhere than in your residence the total value of your wearing apparel and personal effects in your residence will not be considered when applying this condition.

7. Section 4 – Public Liability

SUB SECTION A – PROPERTY OWNERS LIABILITY (This sub-section only applies if the buildings are insured under section 1)

We will indemnify you, the policy holder, for all sums for which you may be held legally liable as owner of the buildings stated in the schedule to pay for death or injury to other persons or damage to their property caused by accident or misfortune.

SUB SECTION B – PERSONAL LIABILITY (This sub-section only applies if the contents are insured under section 2)

We will indemnify you and your family members permanently living with you at the address stated on the schedule against liability at law for:

- (a) accidental death or bodily injury to any persons other than persons specifically excluded under this policy
- (b) accidental damage to property not specifically excluded.

SUB SECTION C – TENNANTS LIABILITY (This sub-section only applies if the contents are insured under sub section 2)

We will indemnify you against legal liability you may incur as a tenant and not as the owner of the private residence stated in the schedule or any other private residence temporarily occupied by you for the following:

- (a) Damage to the buildings including landlord's fixtures and fittings caused by caused by storm, bursting or overflowing of water tanks, apparatus or pipes, theft or attempted theft.
- (b) Accidental damage to fixed sanitary ware, fixed glass, water gas, sewerage, electricity or telephone connections to the dwelling or outbuildings
- (c) Accidental damage to fixed glass and sanitary ware.

Excluding the following:

- (i) Any amount more than 10% of the sum insured for your Contents Insurance, and limited to
- (ii) Any damage covered by another policy contract.
- (iii) Any damage caused by chipping, scratching or denting.
- (iv) The first R100 of any claim

SUBSECTION D – LIABILITY TO DOMESTIC SERVANTS (this sub-section only applies if the contents are insured under section 2)

We will indemnify you for against your liability to domestic employees arising from bodily injury incurred at the premises occupied by you, and during the course of employment, but limited to R 50 000 for one insured event.

SUB SECTION E – NEIGHBOURHOOD WATCH LIABILITY (This sub-section only applies if contents are insured under sub-section 2)

We will indemnify you and your family members who normally reside with you at the address stated in the schedule against liability at law for:

- (a) bodily injury to any person other than a member of your family who normally resides with you or an employee of your household
- (b) accidental damage to property which is not owned by you or in your custody or control or that of any member of your family who normally resides with you.

Resulting from the arrest or search of any person up to an amount of R25,000 in respect of any one claim or series of claims arising out of one event.

SPECIFIC EXCLUSIONS APPLICABLE TO SECTION 4

1. Liability for loss of or damage to property belonging to you, your family or your domestic employees, or in your possession or under your control.
2. Liability for death or injury to any member of the same household as the person or persons insured under this policy (the policy holder) or to any employee arising out of or in the course of his/her employment by the policy holder.
3. Liability for any claim or portion of any claim exceeding R1, 000,000.
4. Liability caused directly or indirectly by animals other than your own cats or dogs.
5. Liability arising from any employment, business, profession or activity for which you are rewarded.
6. Liability arising from owning or using lifts mechanically propelled vehicles (other than pedestrian-controlled gardening machinery), motor or sailing boats or other vessels or aircraft's.
7. Liability caused directly or indirectly by firearms or air guns.
8. Liability for willful or malicious damage.
9. Liability for interfering with support to land, buildings or any other property.
10. Liability for damages awarded against you in any judgment, except the judgement of a court within the territorial limits.
11. Legal costs after you accept an offer to settle the claim.
12. Liability accepted by agreement, which would not have attached in the absence of the agreement.
13. Liability for punitive exemplary or vindictive damages penalties or fines awarded in any court.
14. Liability arising from the ownership use or possession of any electrified fence.
15. Liability in respect of
 - (a) death injury illness loss or damage caused by or arising from seepage pollution or contamination
 - (b) the cost of removing nullifying or cleaning up seeping polluting or contaminating substances

unless the seepage pollution or contamination is caused by a sudden unintended and unexpected event.

7.4. SPECIAL COVER EXTENSIONS

7.4.1. Hole-in-One Cover

Hole-in-One cover if you should "hole out" in one shot on a recognised golf course and achieved during a game constituted according to the rules of golf, as well as Full House ("Eight") cover if achieved in a recognised competition. The club where this was achieved must give us written confirmation of the achievement. The cover is limited to R 1500.

8. Section 5 – Personal Accident

8.1. THE PERSON/S INSURED

The insured mentioned in this Personal Accident Section means you and your spouse. The insured amounts will be indicated in this policy certificate.

The Insurer will pay the Benefit to the Insured if a person named in the Schedule (the Insured Person) is injured by accidental, violent, external and visible means and as a result of such injury dies or is disabled and where such incident occurs within a 12 month period from the date of the accident.

- 8.1.1. ACCIDENT RESULTING IN: BENEFIT:
- a) Death The capital sum stated in the Schedule
- b) Permanent Disablement The percentage of the capital sum shown in the following statement 8.1.2.

8.1.2. Statement of % payable for disablement

Item no.	Description of Disablement	Percentage
1.	Permanent disablement from following or engaging in the Insured persons usual occupations any other occupation for which he is fitted by knowledge or training	100
2.	Loss by physical severance or total loss of use of a hand or a foot or loss of all sight in an eye or total loss of speech or total loss in both ears	100
3.	Loss of hearing in one ear	35
4.	Loss of sight except perception of light in an eye	100
5.	Loss of physical severance or total loss of use of:	
5.1	All fingers of one hand	80
5.2	All toes of one foot	30
5.3	Thumb - Both phalanges	30
	One phalange	10
5.4	Index finger - Three phalanges	10
	Two phalanges	8
	One phalange	4
5.5	Middle finger - Three phalanges	6
	Two phalanges	4
	One phalange	2
5.6	Ring finger - Three phalanges	5
	Two phalanges	4
	One phalange	2
5.7	Little finger - Three phalanges	4
	Two phalanges	3
	One phalange	2
5.8	Metacarpals - First or second an additional	3
	Third, fourth or fifth an additional	2
5.9	Great toe First or second an additional	5
	Third, fourth or fifth an additional	2
5.10	If more than one, each	1
6.	Permanent disfigurement from burns of 100% of the surface area of the head and/or neck:	50
6.1	100% of the surface area of the remainder of the body	75
6.2	If the percentage of disfigurement under item 6 is less than 100% of the surface area the Insurer will apply to the benefit concerned a percentage based on the extent that the actual disfigurement bears to 100% disfigurement	50
7.	The Insurer will not be liable under 6 unless the extent of disfigurement under 1 or 2 individually exceeds 10% nor until the permanent effect of medical and/or surgical treatment has been established	

8.1.3. Special Provisions

- 8.1.3.1. Death or disablement must occur within 24 months from date of accident.
- 8.1.3.2. If one accident gives rise to claims under more than one benefit the Insurer will pay the higher of the capital sum for death or permanent disability.

8.1.4. Excluded Events

This Section does not cover:

- 8.1.4.1. interest on compensation payable.
- 8.1.4.2. bodily injury, death, disability, disablement or disappearance sustained while carrying on any business or occupation other than that disclosed at the commencement of this policy.
- 8.1.4.3. intentional self-injury.
- 8.1.4.4. person under the age of sixteen or over the age of seventy.
- 8.1.4.5. The following accidents:
 - a) those which are caused by any infirmity which existed prior to or at the time of the accident.
 - b) those which happen while the insured person is riding a motor cycle, hang gliding, parachuting, mountaineering, big game hunting, or any other sport, whether in a professional capacity or not, or pastime involving exceptional risk of accident as well as flying other than as a passenger in an aircraft licensed for passengers and piloted by a licensed pilot.
 - c) caused by or attributable to venereal disease, acquired immune deficiency, in the case of females prolonged or accelerated pregnancy, childbirth, abortion, miscarriage or any obstetrical procedure or any sequel.
 - d) any accident caused by or attributable to the insured's willful misconduct, provoked assault, intentional self-injury or suicide.
 - e) the Insured being under the influence of alcohol or drugs.
 - f) those which happen while the insured person is taking part in civil commotion, labour disturbance, riots, strikes or the activities of locked out workers.
 - g) those which happen whilst the insured person is serving on duty in any armed or police force.
 - h) in order to further any political aim to bring about any social or economic change, any act performed on behalf of any body of persons calculated to overthrow or influence any state or government or authorities of this nature.
 - i) any act performed to bring about destruction or damage or bodily injury or sickness 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.

8.1.5. Special Conditions

- 8.1.5.1. The Insured shall notify the Administrator immediately should any physical or mental defect or infirmity affects him.
- 8.1.5.2. The Insurer/Administrator will not be bound to accept notice of any trust, charge, lien, assignment or other dealings with or related to this section.
- 8.1.5.3. The Insured shall, if required by the Administrator, submit to medical examination on behalf of and at the expense of the Insurer. In the event of death the Insurer will be entitled to be represented at any inquiry or to arrange for a post-mortem examination.
- 8.1.5.4. The inability of the Insured to participate in sports and pastimes shall not, of itself, constitute permanent total disablement.

8.2. EXTENSIONS OF COVER

The Insurer will pay:

8.2.1. Disappearance

The Benefit if the insured person disappears and it can be proven that there are reasonable grounds for assuming that he/she has died as a result of an accident which would have been covered provided that the person to whom the payment is made agrees to refund the payment if the Insured Person is subsequently found to be alive.

8.2.2. Exposure

The Benefit if the insured person has an accident or if the conveyance in or on which the insured person is travelling has an accident and as a result is injured by exposure to the elements.

9. Section 6,7 & 8 – Motor Vehicle, Caravan & Trailers, Motor Cycles

9.1. PROPERTY INSURED

9.1.1. Vehicle Definitions

- CLASS 1 VEHICLE: Any private motor car/minibus/station wagon/light delivery vehicle with a gross mass not more than 3500 kg, or a motorised caravan and fixed accessories, excluding vehicle sound equipment (these have to be specified separately under the All Risks Section)
- CLASS 2 VEHICLE: A motor cycle, motor scooter or three wheeled vehicle and fixed accessories, excluding radios (these have to be specified separately under the All Risks Section) and Motorised kiddies' cycles
- CLASS 3 VEHICLE: A caravan or trailer (normally towed by A Class 1 vehicle) as well as fixed accessories and parts.

9.1.2. Cover Options Available

- COMPREHENSIVE COVER: Cover against loss of or damage to your vehicle caused by any insured event and your liability to third parties. If you choose this cover, you will enjoy all general and extended cover benefits.

THIRD PARTY, FIRE AND THEFT COVER	Cover against your liability to third parties, fire and theft or hijacking or attempt thereat. You will enjoy all general and extended benefits.
THIRD PARTY COVER:	Cover against your liability to third parties only, any damage to your own vehicle, fire, theft and hijacking are excluded from cover.

9.1.3. Class of Use

The vehicle may be used for **private, social, domestic, pleasure or professional** purposes but this does not include :

- (a) use by a full time representative or commercial traveler (by whatever name known)
- (b) any use connected with the motor trade except normal maintenance or repair.
- (c) hiring or carrying passengers for reward with the exception of lift clubs, which are not considered to be reward.
- (d) use in any kind of rally or speed trial.
- (e) carrying a number of passengers which is greater than it is licensed to carry.
- (f) carrying explosives or bulk inflammable liquids or gasses.
- (g) any use connected with a business trade or the conveyance of goods,

OR

The vehicle may be used for **private, social, domestic, pleasure or professional and full business** purposes, including use in connection with any business by an insurance agent/representative, commission agent or any other commercial traveler or for any other commercial traveling purposes excluding:

- (h) any use connected with the motor trade except normal maintenance or repair.
- (i) hiring or carrying passengers for reward with the exception of lift clubs, which are not considered to be reward.
- (j) use in any kind of rally or speed trial.
- (k) carrying a number of passengers which is greater than it is licensed to carry.
- (l) carrying explosives or bulk inflammable liquids or gasses.
- (m) any use connected with a business trade or the conveyance of goods.

9.2. EVENTS COVERED WITH EXCLUSIONS

9.2.1. Loss or Damage/Indemnity

If the vehicle or any part thereof is lost or damaged, the Insurer will by payment or at its choice, by repair or replacement, indemnify the Insured within the framework of the following conditions:

- 9.2.1.1. The maximum amount payable by the Insurer will be the sum insured, as stated in the schedule, or the Retail value of the

vehicle as described in Mead and McGrouther, at the time of loss or damage, whichever amount is the lower.

9.2.1.2. If any replacement part or fitment necessary for the repair of damage to the vehicle is not available as standard/ready manufactured within the country in which the vehicle is being repaired, the Insurer will not be liable for more than the manufacturer's list price in the country of origin, plus import duty and the reasonable cost of freight, other than by air, as well as the estimated cost of fitment.

9.2.1.3. Should the Insured declare on the claim form, that the vehicle is subject to an installment sale or lease agreement with a registered financial institution, and should the vehicle be a write off or stolen and not recovered, any money due to the Insured will be utilised firstly for the repayment of this debt under the agreement. The receipt of the settlement paid to the financial institution referred to in the agreement, will be a complete discharge to the Insurer.

9.2.2. New Vehicles

If within one year of registration in your name as new, your vehicle is lost or stolen and not recovered or damaged so that the repair costs exceed 70% of its list price (including Tax) at the date the damage occurred we will pay the current purchase price provided:

9.2.2.1. This does not exceed the amount for which your vehicle is insured.

9.2.2.2. Provided that the vehicles odometer does not exceed 30,000 kilometers.

9.2.3. Extensions of Cover

In addition the Insurer will pay:

9.2.3.1. Promotion and Removal Expenses

The costs necessarily incurred for protecting the vehicle following a valid claim and removing it to the nearest approved repairer from anywhere within the territorial limits of South Africa. In the event of the insured experiencing a loss and or damage outside the territorial limits of South Africa the insured will bear the cost of transporting the vehicle to the nearest border post.

9.2.3.2. Repair Authorisation

If the vehicle is disabled by reason of any loss or damage, the insured may authorise the reasonable cost for emergency repairs in respect of the relevant item of insurance not exceeding 5% of the sum insured or R 1500, whichever is more.

9.2.3.3. Windscreens or other Motor Glass

For the breakage of the vehicles windscreen or other window glass and damage to the vehicle directly incidental to such breakage but excluding the amount payable by the Insured as stated in the Schedule.

No excess shall apply to the repair of chips on a windscreen however it will be applied if the windscreen is replaced.

9.2.3.4. Loss of Keys

The Insurer will pay the reasonable costs of locks, keys and remote alarm controller (and, if necessary the re-programming of any coded alarm system) of the vehicle, provided that –

(a) The insured can prove that there is sufficient reason to believe that an unauthorised person may be in possession of a key or alarm controller.

- (b) Limited to a R 5000 per any one event
- (c) The first amount payable shall not apply to this extension but the insured shall be responsible for the first R 250 of any claim under this extension.

9.2.3.5. Motor Trade

We will pay for loss of or damage to the vehicle whilst the vehicle is in the custody or control of a recognised member of the motor trade for the purpose of repair or maintenance.

9.2.3.6. Medical Expenses (Cover excluded on Motor Cycles)

If any occupant of the enclosed passenger carrying compartment of the vehicle shall in direct connection with the vehicle sustain bodily injury by violent, accidental, external and visible means, the Insurer will pay to the insured the medical expenses in connection with the injury up to the sum of R 1000 in respect of each person injured. The term medical expenses include any costs incurred to free the injured person from the vehicle and transport to a place where medical treatment can be given.

9.2.3.7. Loss of Use/Courtesy Car (optional)

Upon payment of an additional premium per motor vehicle, it is agreed that in the event the vehicle being stolen, hijacked or damaged in an accident and classified a total loss the company will hire a group A vehicle (with engine capacity not exceeding 1400cc's) for a maximum of 30 days.

If the vehicle was damaged in an accident but still repairable the company will hire a group A vehicle (with engine capacity not exceeding 1400cc's) for a maximum of 21 days.

Provided that:

- i. the order for the hire of a motor car shall first be authorised by the Administrator.
- ii. The Insurer shall not be liable for any claims incurred following loss or damage to the hired vehicle.

9.2.3.8. Credit Shortfall extension (if stated in the schedule to be included)

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

- (a) any arrears installments or rentals including interest payable on such arrears
- (b) all refunds of premium for cancellation of any insurance cover relating to the motor vehicle
- (c) the increased installments or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled
- (d) the first amount payable under sub-section A

Provided always that

- (a) the amounts payable shall not exceed the maximum indemnity less the first amount payable under sub-section A
- (b) This endorsement shall not apply to any agreement whereby the amount of any single installment other than 10 percent from any other installment

- (c) If such shortfall is as a result of a re-advance under an installment sale or refinancing in terms of a lease the insurance by this extension shall be void.

9.2.4. Specific Exceptions

This Section does not cover:

MOTOR VEHICLE/CARAVAN & TRAILERS/ MOTOR CYCLE EXCEPTIONS:

- i. Consequential loss as a result of any cause or depreciation in value (whether arising from repairs or otherwise) wear and tear, mechanical or electrical breakdowns, failures or breakage.
- ii. Damage to tyres unless as a result of damage to some other part of the vehicle, covered by the policy, and occurring at the same time.
- iii. Damage to tyres by application of brakes or by road punctures, cuts or bursts.
- iv. Damage to springs and/or shock absorbers due to inequalities of a road or other surfaces.
- v. Detention, confiscation or requisition by any process of law.

ADDITIONAL TRAILER & CARAVAN EXCEPTIONS:

- i theft of permanent fixtures and fittings if the vehicle (caravan) is unoccupied more than 48 hours except whilst at the insured's residence.
- ii theft of permanent fixtures and fittings whilst lent, let or sub-let.
- iii loss of or damage to the contents of any vehicle.

ADDITIONAL MOTOR CYCLE EXCEPTIONS:

- i theft of accessories unless the vehicle is stolen at the time of the occurrence.
- ii damage to the engine unless some other part of the vehicle is damaged at the time of the occurrence.

9.3. LIABILITY TO THIRD PARTIES

9.3.1. Defined Events

The Insurer will indemnify the Insured against:

- 9.3.1.1. All sums which the insured is legally liable to pay for compensation in respect of –
 - (a) death of or bodily injury to or illness of any person;
 - (b) damage to property;
 occurring during the period of insurance as a result of an accident caused by or through or in connection with any vehicle described in the schedule including the loading or unloading of the vehicle.
- 9.3.2.2. All costs and expenses of litigation –
 - (a) recovered by any claimant against the insured;
 - (b) incurred with the written consent of the Insurer;
 in respect of a claim against the insured for compensation to which the indemnity expressed in this section applies.

9.3.2. Limits of Liability

- a) Cover for liabilities arising out of fire or explosion is limited to R1.000.000.

- b) Cover for liabilities involving passengers in or on or getting into or out of the passenger compartment of the vehicle with an open or convertible body is limited to R200 000 any one event or series of events (Passenger liability is excluded in total for Motor Cycles).
- c) Any other event and in the annual aggregate of a), b) and c) is limited to R2.500.000.

9.3.3. Extensions of Cover

9.3.3.1. Indemnity to Legal Representatives

In the event of the death of the insured, the Insurer will in respect of the liability incurred by the insured indemnify the insured's personal representatives in terms of and subject to the limitations of this section, provided that the personal representatives must, as though they were the insured, observe, fulfill and be subject to the terms, exceptions and conditions of the policy so far as they can apply.

9.3.3.2. Legal Representation

The Insurer at its sole discretion, may arrange representation:

- (a) at an inquest or inquiry in respect of any death
or
- (b) for defending in a magistrate's court any criminal proceedings in respect of any act causing or relating to an occurrence
Which is the subject of indemnity under this section.

9.3.3.3. Other Persons Driving

The Insurer will indemnify any person driving the vehicle with the insured's permission, provided that such person:

- (a) is not entitled to indemnity under any other insurance policy.
- (b) Must as though he was the insured observe, fulfill and be subject to the terms, exceptions and conditions of this policy insofar as they apply.
- (c) Has not been refused motor car insurance by any insurance company or underwriter.

9.3.3.4. Driving of other Cars

The insured will be indemnified whilst personally driving a vehicle (of a description as defined in this policy section) not belonging to nor being purchased by the insured under a suspensive sale agreement.

9.3.3.5. Indemnity to Employer

Indemnity to the insured's employer in respect of an accident occurring in connection with the vehicle whilst being driven by the insured on the business of the employer provided that:

- (a) such indemnity shall not include liability for death of or bodily injury to any employees of the employer arising out of an in the course of such employment.
- (b) the employer is not entitled to indemnity under any other policy.
- (c) The employer shall, as though he were the insured, be subject to the terms of this policy.

9.3.3.6. Towing

Indemnity to the insured in respect of liability arising from the towing (other than reward) by a vehicle of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided the Insurer shall not be liable for damage to the

- towed vehicle or trailer nor to property therein or thereon.
- 9.3.3.7. More than one Insured
Where more than one insured is named in the schedule, the Insurer shall indemnify each insured separately and not jointly and any liability arising between such insured shall be treated as though a separate policy had been issued to each provided that the aggregate liability of the Insurer shall not exceed the limit of liability.
- 9.3.3.8. Waiver of Subrogation
The Insurer waives all rights of subrogation or action that it may have or acquire against any other person to whom the indemnity applies and each such person shall observe, fulfill and be subject to the terms, exceptions and conditions of this policy insofar as they can apply.
- 9.3.3.9. Movement of Parked Vehicles
The Insurer will indemnify the insured in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or borrowed by or leased to the insured) by any person in the employment of the insured or acting on the insured's behalf, provided always that such vehicle was being moved:
(a) with the authority of any tenant customer or visitor of the insured; or
(b) to facilitate the carrying out of the insured's business, and provided further that this extension shall not apply in respect of damage to vehicles which are parked for reward.
For the purpose of this extension, such vehicle (and its contents) shall not be deemed to be held in trust by or in the custody or control of the insured.
- 9.3.4. Specific Exceptions
This section does not cover:
- 9.3.4.1. death or bodily injury to:
(a) a member of the Insured's family normally residing with him.
(b) any person being carried in or on a part of the vehicle other than the driver's cabin of such vehicle.
(c) employees of the Insured (other than domestic employees) arising out of or in the course of their employment
(d) passengers in, on or getting into or off a trailer, motor cycle or caravan.
- 9.3.4.2. Liabilities that fall within the scope of any compulsory motor vehicle insurance law.
- 9.3.4.3. Liabilities accepted by agreement unless those liabilities would have arisen if the agreement had not been entered into.
- 9.3.4.4. Property belonging to or held in trust by the insured or in the insured's custody or control.
- 9.3.4.5. Property being conveyed by or loaded into or onto or unloaded from the vehicle.
- 9.3.4.6. Whilst the vehicle is attached to a self-propelled vehicle:
(a) death of or bodily injury to or illness of any person
(b) damage to property.
- 9.3.4.7. So much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This

exception applies notwithstanding that no insurance under this enactment is in force or has been effected.

9.4. GENERAL EXCEPTIONS

We will not be liable for:

- 9.4.1. Loss, damage, injury or liability incurred while the vehicle is being driven by:
- (a) The insured while under the influence of intoxication liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or while not licensed to drive such vehicle.
 - (b) Any other person with the general consent of the insured who to the Insured's knowledge is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or while not licensed to drive such vehicle. Provided that any driver shall be deemed to be licensed to drive the vehicle if he is complying with the licensing laws relating to any of the territories within the territorial limits of this policy section or if non-compliance with any licensing law is solely because of failure to renew any license subject to periodic renewal or if a license is not required by law of while such driver is learning to drive and is complying with the laws relating to learners.
- 9.4.2. Incurred outside the territorial limits of the Republic of South Africa, Lesotho, Botswana, Swaziland, Namibia or Zimbabwe for loss or damage to the motor vehicle while in transit by water between ports in the territorial limits.
- 9.4.3. Arising from contractual liability, unless such liability would have attached to the insured notwithstanding the contractual agreement.
- 9.4.4. Whilst the motor vehicle is being used:
- 9.4.4.1. If during the currency of this policy section the Insured's drivers license or a license of the Insured's authorised driver is endorsed, suspended or cancelled or if the said drivers shall be charged or convicted of negligent, reckless or improper driving, notification must be sent in writing to the Administrator immediately the insured has knowledge of such fact.
 - 9.4.4.2. Otherwise than in accordance with the description of use as stated on the schedule of insurance.
 - 9.4.4.3. In a condition that does not comply with the provisions and regulations of The Road Traffic Act of the Republic of South Africa or any similar legislation, which applies to the territorial limits referred to.
 - 9.4.4.4. Claims if the driver fails to return your vehicle, unless you take legal action against the driver.
- 9.4.5 Arising from vehicle security requirement as stipulated on your policy schedule as warranted when unattended, parked or serviced. If for any reason whatsoever, any driver of the insured vehicle:
- 9.4.5.1 Cancels the service agreement of any contract for the monitoring and or tracking of the insured vehicle
 - 9.4.5.2 Fails to pay any subscription due in terms of the agreement

referred to in 9.4.5.1

9.4.5.3 Fails to ensure that the vehicle is linked to the contracted tracking service referred to in 9.4.5.1

and that the said vehicle tracking unit is operational and armed at all times

9.4.5.4 Fails to engage and / or fully activate and or arm any security device when necessary.

10. Section 9 – Water Craft

A. WATERCRAFT OWN DAMAGE

SUB-SECTION 1 LOSS OF OR DAMAGE TO THE CRAFT

We will indemnify you for loss of or damage to the craft described in the schedule caused by the insured events stated below whilst the craft is in commission or laid up and subject to the exclusions set out hereunder

1. INSURED EVENTS

- (a) loss of or damage to the Insured vessel and Insured property caused by:
 - (i) external accidental means, including perils of the seas rivers lakes or other navigable waters, stranding, sinking or collision
 - (ii) fire, self-ignition, earthquake, volcanic eruption or lightning
- (b) loss of or damage to the insured vessel and insured property caused by accidents in loading, discharging or handling stores, gear, equipment, machinery or fuel, or by bursting of boilers, breakage of shafts, explosions, contact with aircraft, malicious acts or latent defects in the hull or machinery, (excluding the cost and expense of replacing or repairing the defective part)
- (c) theft of the entire Insured vessel or her boat(s), or outboard motor(s) provided it is securely locked to the insured vessel or her boat(s) by an anti-theft device in addition to its normal method of attachment, or, following upon forcible entry into the insured vessel or place of storage, theft of machinery including outboard motor(s), gear, equipment or insured property
- (d) loss of or damage to the insured vessel and insured property caused by the negligence of any person whatsoever, but excluding the cost of making good any defect resulting from either negligence or breach of contract in respect of any repair or alteration work carried out for the account of the Insured and/or the Owners or in respect of the maintenance of the insured vessel
- (e) loss of or damage to outboard motor(s) caused by dropping off or falling overboard provided that it is attached to the vessel or its boat by bolts, galvanised steel chain or terylene rope in addition to its normal method of attachment
- (f) the expense of sighting the bottom after stranding, if reasonably incurred specially for that purpose, even if no damage be found.

provided such loss or damage has not resulted from want of due diligence by the insured Owners, Managers or Agents of the insured Owners.

2. EXCLUSIONS

No claim shall be allowed in respect of or arising from:

- (a) loss of use
 - (b) ship's boat(s) having a maximum designed speed exceeding 17 knots, unless such boat(s) is specially covered herein and subject also to the conditions of the Speedboat Clauses (Endorsement "A") attached, or is on the insured parent vessel or laid up ashore.
 - (c) ship's boat(s) not permanently marked with the name of the insured parent vessel.
 - (d) sails and protective covers split by the wind or blown away while set, unless in consequence of damage to the spars to which sails are bent, or occasioned by the insured vessel being stranded, in collision or contact with any external substance (ice included) other than water
 - (e) loss of or damage to sails, masts, spars or standing and running rigging while the insured vessel is racing, unless such loss or damage is caused by the insured vessel being stranded, sunk, burnt, on fire, in collision or contact with any external substance (ice included) other than water
 - (f) personal effects, consumable stores, fishing or diving gear or moorings
 - (g) motor and machinery, batteries, their connections (with exception of shaft and propeller)
 - (h) metalling or repairs thereto
- (g) / (h) unless the loss or damage is caused by the insured vessel being immersed as a result of heavy weather or is caused by the vessel being stranded, sunk, burnt, on fire, or in collision or contact with any external substance (ice included) other than water or whilst being removed from or placed in the insured vessel, or by theft following upon forcible entry into the insured vessel or store or by theft of outboard motor provided it is securely locked to the insured vessel or her boat(s) by an anti-theft device in addition to its normal method of attachment, or by fire in a store ashore, or by malicious act, or as a result of the insured outboard motor(s) dropping off or falling overboard
- (i) any loss or expenditure incurred solely in remedying a fault in design or, in the event of damage resulting from faulty design and giving rise to a claim under the conditions of this insurance, for any additional expenditure incurred by reason of betterment or alterations in design, or for the cost and expense of replacing or repairing any part condemned solely in consequence of a latent defect or fault or error in design or construction
 - (j) wear and tear, depreciation and deterioration from use

- (k) theft of a sailboard or any part thereof left unattended in the open or on the roof-rack of a vehicle
- (l) theft of Jet skis, Water bikes, Seadoo(s) or any part thereof left unattended in the open, on trailer or on the conveying vehicle.

SUB-SECTION 2 LIABILITY TO THIRD PARTIES

We will indemnify you in event of an accident caused by or through or in connection with any craft described in the schedule against all sums including claimant's cost and expenses which you shall become legally liable to pay in respect of:

- (i) accidental death of or bodily injury to any person;
- (ii) loss of or damage to any property other than property belonging to you or in your custody or control;

provided that the Company's (our) liability in respect of this section is limited to the value of the craft stated in the schedule or R100,000 whichever is the lesser amount in respect of any one accident or series of accidents.

EXCLUSIONS

We shall not be liable for:

- (i) death of or bodily injury to any person who is member of your (the insured) family;
- (ii) death of or bodily injury to any person who is under a contract of service with you (the insured) arising out of and in the course of such employment;
- (iii) death of or bodily injury to any person who is a passenger being carried in or upon entering or getting on to or alighting from such craft;
- (iv) death of or bodily injury to any person who is engaged in water skiing or aquaplaning, or in any other sport or activity whilst being towed by the craft or preparing to be towed or after being towed until safely on board or ashore.
- (v) any craft having a maximum designed speed exceeding 17 knots, unless such craft is specially covered herein and subject also to the conditions of the Speedboat Clauses, (see Endorsement A)
- (vi) punitive or exemplary damage, however described.

EXTENSIONS

Passenger Liability (if stated in the schedule to be include)

This sub-section is extended to include:

- (i) death of or bodily injury sustained by passengers whilst travelling upon the craft or embarking or disembarking from the craft;
- (ii) damage to property belonging to passengers whilst travelling upon the craft;

Provided that we shall not be liable for:

- (a) more than the limit of indemnity stated in this sub-section
- (b) death of or bodily injury to any person who is:
 - (i) a member of the insured's family
 - (ii) under a contract of service with the insured arising out of and in the course of such employment,

- (iii) a fare-paying passenger

Water Skiers Liability (if stated in the schedule)

This subsection is extended to include legal liability to or incurred by water-skiers operating with the craft up to the limits of indemnity of this sub-section.

CONDITIONS, EXTENSIONS AND PROVISIONS

1. SALVAGE CHARGES

Subject to any express provision in this insurance, salvage charges incurred in preventing a loss by peril insured against may be recovered as loss by those perils.

2. UNREPAIRED DAMAGE

In no case shall the Insurers be liable for unrepaired damage in addition to a subsequent total loss sustained during the period covered by this Policy or any extension thereof under the Continuation Clause.

3. CONTINUATION

Should the insured vessel at the expiration of the Policy be at sea or in distress or at a port or place of refuge or of call, she shall, provided prompt written notice be given to the Insurers prior to such expiration, be held covered at a premium to be arranged, failing such a reasonable premium, until anchored or moored at her next port of call in good safety.

4. DESIGNED SPEED

Where the maximum designed speed of the- insured vessel, or the parent insured vessel in the case of a vessel with boat(s), exceeds 17 knots, the conditions of the Speedboat Clauses (Endorsement "A") shall apply.

5. CHARTER HIRE

Warranted to be used solely for private pleasure purposes and not for hire, charter or reward.

6. ASSIGNMENT

No assignment of or interest in this Policy or in any moneys which may be or become payable thereunder is to be binding on or recognized by the Insurers.

7. CHANGE OF OWNERSHIP

This Clause shall prevail notwithstanding any provision whether written typed or printed in the Policy inconsistent herewith.

Should the insured vessel be sold to new ownership, then this Policy shall become cancelled from the time of sale and a pro rata daily return of premium be made. If, however, the insured vessel shall have left her moorings or be at sea at the time of sale such cancellation shall if required by the Insured be suspended until arrival at port or place of destination.

8. CO-INSURANCES

In the event of any other insurance, by whomsoever effected, covering the same loss as this policy, the Insurer shall only be liable to contribute its rateable proportion

of the claim.

9. SALVAGE AND SUE AND LABOUR

In the case of misfortune to the insured vessel it shall be lawful for the Insured or the Insured's factors and servants to sue labour and travel for in and about the protection safeguard or repair of the insured vessel, without prejudice to this Insurance and all reasonable charges thereof, including salvage charges, the cost of towing or removing the vessel to a place of safety, so necessarily incurred shall form part of the claim provided that the Insured forwards as soon as possible to the Insurers details of any immediate necessary repairs authorized together with full particulars of the accident. And it is especially declared and agreed that no acts of the Insurers or the Insured in recovering, saving, or preserving the property, shall be considered as a waiver or acceptance of abandonment.

10. SEAWORTHINESS

The Insured warrants that he shall at all times maintain and keep the insured vessel in a proper state of repair and seaworthiness and shall at all times exercise all due care and diligence in the crewing of the insured vessel.

11. RUBBER AND/OR INFLATABLE CRAFT

In the event of the tearing and/or ripping of the fabric of a rubber, inflatable and/or semi-rigid craft and the like, consequent upon the occurrence of an insured peril, the Insurers shall only be liable for the patching or repair of such tear or rip.

12. VESSELS CONSTRUCTED WITH GLASS REINFORCED PLASTIC

In the event of damage to the insured vessel Constructed with glass reinforced plastic consequent upon the occurrence of an insured peril the Insurers shall only be liable to the extent of repairs to the damage sustained and no claim shall attach in respect of matching a glitter finish.

13. LIMIT OF INDEMNITY

The sum, which the Insured can recover under this Section, is limited to:

- (a) in the case of an actual or constructive total loss the value of the insured property, or
- (b) in the case of a partial loss, the reasonable cost of repairing, reinstating or replacing the damaged or lost part of the insured property and necessary expenses connected therewith.

Provided further that the maximum amount payable under this policy shall be the market value of the craft or the sum insured stated in the schedule whichever is the lesser amount.

14. WAR EXCLUSION

In no case shall this insurance cover loss damage or expense caused by:

- (a) war civil revolution rebellion insurrection, or civil strife arising therefrom, or any hostile act by or against a belligerent power
- (b) capture seizure arrest restraint or detainment (piracy excepted), and the consequences thereof or any attempt thereat
- (c) derelict mines torpedoes bombs or other derelict weapons of war.

15. STRIKES AND RIOT EXCLUSION

In no case shall this insurance cover loss damage or expense caused by:

- (a) strikers, locked-out workmen, or persons taking part in labour disturbances, riots or civil commotion's
- (b) any terrorist or any person acting from a political motive.

16. LEGAL COSTS

The Insurers will also pay, provided their prior written consent has been obtained:

- (a) the legal costs incurred by the Insured which the Insured may be compelled to pay in contesting liability or taking proceedings to limit liability
- (b) the costs for representation at any coroner's inquest or fatal accident enquiry.

17. SISTERSHIP

Should the insured vessel come into collision with or receive salvage services from another vessel belonging wholly or in part to the same Owners or under the same management, the Insured shall have the same rights under this insurance as they would have were the other vessel entirely the property of Owners not interested in the vessel hereby insured-, but in such cases the liability for the collision or the amount payable for the services rendered shall be referred to a sole arbitrator to be agreed upon between the Insurers and the Insured.

18. NAVIGATION BY OTHER PERSONS

The provisions of the Liabilities to Third Parties Clause shall extend to any person navigating or in charge of the insured vessel with the permission of the Insured named in this Policy (other than a person operating, or employed by the operator of a shipyard, repair yard, slipway, yacht club, sales agency or similar Organisation) and who whilst so navigating or in charge of the insured vessel shall in consequence of any occurrence covered by the said Clause become liable to pay and shall pay any sum or sums to any person or persons, other than to the Insured named in this Policy, but indemnity under this Clause shall inure to the benefit of the Insured, and only to a person navigating or in charge of the insured vessel as described above at the written request of and through the agency of the Insured. Nothing in this extension shall increase the Insurer's liability beyond the limitation of liability imposed by the Scope of Coverage Clause and this extension shall be subject otherwise to all other terms conditions and warranties of this insurance as if such other person were the Insured.

Nothing in this Clause shall be deemed to override the provisions of the Charter Hire Clause.

19. REMOVAL OF WRECK EXTENSION

This policy shall also pay the expenses, after deduction of the Proceeds of the salvage, of the removal of the wreck of the insured vessel from any place owned, leased or occupied by the Insured.

20. EXCESS AND DEDUCTIBLE (applicable to all sections of this policy)

- (i) The insured shall be responsible for the first 1% of each claim / each accident, with a minimum of R 500
- (ii) The excess for Jet Skies/Water Bikes and Rubber Ducks is 5% minimum R1,000,00

21. DEPARTMENT OF TRANSPORT REGULATIONS FOR SEA-GOING PLEASURE CRAFT

The Insurers warrant that the vessel shall not be used by the Insured nor allowed or caused by the Insured to be used in contravention of the Regulations relating to

seagoing pleasure craft as amended from time to time, published in terms of the Merchant Shipping Act, 1951.

22. BREACH OF WARRANTIES

If the Insured shall breach any warranty given in terms of this policy all benefits under the policy shall be forfeited.

DEFINITIONS

- (a) **In Commission:**
while in commission at sea or on inland waters or in port, docks, on ways, Gridirons, pontoons or on the hard or mud, including hauling out and launching, with leave to sail or navigate with or without pilots, to go on trial trips and to assist and to tow vessels or craft in distress, or as is customary, but the insured vessel shall not be towed, except as is customary or when in need of assistance, or undertake towage or salvage services under a contract previously arranged by Owners, Masters, Managers or Charterers.
- (b) **Laid up Out of Commission:**
while laid up out of commission, including hauling out and launching, striking over, dismantling, fitting out, overhauling or while under survey (also to include docking and undocking and periods laid up afloat incidental to laying up or fitting out and with leave to shift in tow or otherwise to or from her lay up berth but not outside the limits of the port or place in which the insured vessel is laid up) but excluding, unless written notice be given to and an additional premium agreed by the Insurers, any period for which the insured vessel is used as a houseboat or is under major repair or undergoing alteration.
- (c) **The Craft means:**
The craft mean the hull, superstructure, fittings, electrical machinery, engines, inboard motor(s), dinghy, gear and equipment (not electronic equipment) as would be sold with the craft as a unit and having a maximum length of 6,71 meters (22 feet) and a value not exceeding R100, 000.
- (d) **Personal Effects:**

Personal effects mean binoculars, sextants, and nautical books, yachting and boating clothes, oilskins and sea boots being your (insured) property.