



Standard Moving Forward™ /

Our preferred service providers (applicable to all sections of the policy)

On the happening of any event which may result in a claim under this policy, the Insured shall give notice thereof to the Company as soon as reasonably possible. The Insured is encouraged to make use of our approved service providers.

Should the Insured choose to use his or her own service provider, the Company will not be liable to pay more than the amount which the approved service providers would have charged.

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Section A: General Exceptions, Conditions, Provisions and Definitions

Subject to the Terms, Exceptions and Conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on behalf of The Insured and receipt thereof by or on behalf of The Company, The Company specified in the Schedule agrees to indemnify or compensate The Insured by payment or, at the option of The Company, by replacement, reinstatement or repair up to the sums insured, limits of indemnity, compensation and other amounts specified in respect of the defined events occurring during the period of insurance and as otherwise provided under sections A to L.

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

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

General Exceptions

1. War, riot and terrorism

- a. This policy does not cover loss of or damage to property related to or caused by:
 - i. civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the foregoing.
 - ii. war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war.
 - iii. mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege or; insurrection, rebellion or revolution.
 - iv. any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence.
 - v. any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public or any section thereof.
 - vi. any attempt to perform any act referred to in clause (iv) or (v) above.
 - vii. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause 1(a) (i), (ii), (iii), (iv), (v) or (vi) above. If The Company alleges that, by reason of clause 1(a) (i), (ii), (iii), (iv), (v), (vi) or (vii) of this exception, loss or damage is not covered by this policy, the burden of proving the contrary shall rest on The Insured.
- b. This policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this policy applies.
- c. Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising from or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense.

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

2. Nuclear

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

- a. ionising, radiations or contamination by radioactivity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
- b. nuclear material, nuclear fission or fusion, nuclear radiation;
- c. nuclear explosives or any nuclear weapon;
- d. nuclear waste in whatever form;

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

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

3. Computer losses

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

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

- a. loss or destruction of or damage to any property whatsoever (including a computer) or any loss or whatsoever resulting or arising therefrom;
- b. any legal liability of whatsoever nature;
- c. any consequential loss, directly or indirectly caused by or contributed to by or consisting of or arising from the incapacity or failure of any computer, correctly or at all;
 - i. to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or
 - ii. to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such date, or
 - iii. to capture, save, retain or to process any information or code due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes, or
 - iv. to capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.

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

Special extension to General Exception 3

- A. Loss or destruction of or damage to The Insured Property by fire explosion, lightning, earthquake or by the special perils referred to below or indemnified by the Glass section is not excluded by this General exception.

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

1. Storm, wind, water, hail, or snow excluding damage to property
 - a. arising from its undergoing any process necessarily involving the use or application of water.
 - b. caused by tidal wave originating from earthquake or volcanic eruption.
 - c. in the underground workings of any mine.
 - d. in the open (other than buildings structures and plant designed to exist or operate in the open).
 - e. in any structure not completely roofed.
 - f. being retaining walls.
2. aircraft and other aerial devices or articles dropped therefrom.
3. impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles.

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

- B. General Exception 3 also does not apply to consequential loss as insured by any Business Interruption indemnity provided by this policy to the extent that such consequential loss result from damage to insured property by the perils referred to in Special extension (a) above.
- C. This Special extension will not insure any loss, destruction, damage or consequential loss if it would not have been insured in the absence of this Computer Losses General exception and this Special extension.
- D. This Special extension shall not apply to any Public Liability indemnity.

4. Asbestos

Applicable to the Public Liability section and Sub-section D (Liability) of the Buildings Combined section.

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

5. Onus of Proof

In the event of loss of or damage which The Company believes it is excluded under this policy, the onus of proof will rest with Insured to prove otherwise.

6. Obsolescence clause

In the event of loss of or damage to:

- a) electronic motors;
- b) telephonic communication equipment;
- c) security control equipment (including cameras);
- d) alarm and detection systems;
- e) TV aerials including television transmission or reception equipment;
- f) closed circuit cameras and monitors;
- g) or any accessory or attachment relating thereto;

being the subject of a claim as insured for which there is no immediate replacement; or for which the agency or supplier in South Africa has discontinued the importation of such equipment; and provided that such equipment is not repairable, then such equipment will be considered obsolete.

In the event of the said equipment being considered or declared obsolete; then at the option of The Company, the basis of the indemnity will be cash-in-lieu and will be the original purchase or determined costs thereof less a rate of depreciation based on an accumulative rate of 15% per annum; as from the date of purchase or installation. Such indemnity will relate to the physical cost of the said equipment; as defined herein; and will exclude the costs of labour and installation.

Upon The Company having agreed to indemnify The Insured in terms of this clause; then at the option of The Company, The Insured will have the equipment being the subject of the claim; removed from its place of installation prior to payment of such indemnity and delivered to The Company at the named offices. Such cost of removal and delivery will be agreed with The Company; these costs will be for the account of The Company.

7. Dye-lots, colours, patterns and textures

In the event of any property (or portion of such property) being the subject of an insurance claim; and being supplied or manufactured in specific dye-lots, colours, patterns or textures; and at the time of such claim the property (or portion of such property) being the subject of the claim is not available (in whole

or in part) in such dye-lots, colours, patterns or textures, then The Company will only indemnify The Insured for the loss of the same as such is available to the nearest dye-lot, colour or texture as may be available in the required quantity.

8. Floor coverings

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

9. Cyber loss

(a) Notwithstanding any provision of this policy, including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this policy does not cover any loss, damage, liability, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

(i) any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a Computer System as defined below, unless subject to the provisions of paragraph (b) below;

(ii) any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Computer Data as defined below, including any amount pertaining to the value of such Computer Data, unless indemnified (unless otherwise stated) in the electronic equipment section of this policy.

(b) Provided that the physical damage to Insured Property and any business interruption loss, contingent business interruption loss and any other consequential losses directly resulting from such damage is not excluded by this General exception where such physical damage is directly occasioned by any of the following perils:

fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, wind, water, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow.

(c) The proviso in (b) above does not provide indemnity under this policy for any physical damage or business interruption loss which would not have been indemnified by this policy in the absence of such proviso.

For the purposes of this General exception:

1. A Computer System means any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility.

2. Computer Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

10. Communicable disease

(a) Notwithstanding any provision of this policy, including any exception or extension or other provision not included herein which would otherwise override a general exception, this policy does not cover any loss, damage, liability, claim, cost or expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a Communicable Disease as defined below or the fear or threat (whether actual or perceived) of a Communicable Disease regardless of any other cause or event contributing concurrently or in any other sequence thereto.

(b) Provided that physical damage to Insured Property and any business interruption loss, contingent business interruption loss and any other consequential losses directly resulting from such damage is not excluded by this General exception where such physical damage is directly caused by or arises from any of the following perils:

fire, lightning, explosion, aircraft or vehicle impact, falling objects, storm, wind, water, hail, tornado, cyclone, typhoon, hurricane, earthquake, seaquake, seismic and/or volcanic disturbance/eruption, tsunami, flood, freeze, ice storm, weight of snow or ice, avalanche, meteor/asteroid impact, landslip, landslide, mudslide, bush fire, forest fire, riot, riot attending a strike, civil commotion, vandalism and malicious mischief.

(c) The proviso in (b) above does not provide indemnity under this policy for any physical damage or business interruption loss which would not have been indemnified by this policy in the absence of such proviso.

For the purposes of this General exception:

1. A Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

1.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not; and

1.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms; and

1.3 the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property.

General Conditions

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

1. Annulment of policy (Misrepresentation, misdescription and non-disclosure)

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

2. Other insurance

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

3A. Cancellation

This policy or any section may be cancelled at any time by The Company giving 30 days' notice in writing (or such other period as may be mutually agreed) or by The Insured giving immediate notice. On cancellation by The Insured, The Company shall be entitled to retain the customary short period or minimum premium for the period the policy or section has been in force. On cancellation by The Company, The Insured shall be entitled to claim a pro-rata proportion of the premium for the remainder of the period of insurance from the date of cancellation, subject to general condition 4.

3B. Payment of Premium (Continuation of cover – where premium is payable by bank debit order or by transmission account)

The premium is due in advance and, if it is not received by The Company by due date, this insurance shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance unless The Insured can show that failure to make payment was an error on the part of his bank or other paying agent. Due date will be the first day of every calendar month where premium is payable monthly, and the first day of

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

4. Adjustment of premium

If the premium for any section of this policy has been calculated on any estimated figures, The Insured shall, after the expiry of each period of insurance, furnish The Company with such particulars and information as The Company may require for the purpose of recalculation of the premium for such period. Any difference shall be paid by or to The Insured as the case may be.

5. Prevention of loss

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

6. Claims

- (a) On the happening of any event which may result in a claim under this policy The Insured shall, at their own expense
 - (i) give notice thereof to The Company as soon as reasonably possible and provide particulars of any other insurance covering such events as are hereby insured.
 - (ii) as soon as practicable after the event inform the police of any claim involving theft or (if required by The Company) loss of property and take all practicable steps to discover the guilty party and to recover the stolen or lost property.
 - (iii) as soon as practicable after the event submit to The Company full details in writing of any claim.
 - (iv) give The Company such proof, information and sworn declarations as The Company may require and forward to The Company immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against The Insured in connection with the event giving rise to the claim.
- (b) No claim shall be payable after the expiry of 24 months or such further time as The Company may allow from the happening of any event unless the claim is the subject of pending legal action or is a claim in respect of The Insured's legal liability to a third party.
- (c) No claim shall be payable unless The Insured claims payment by serving legal process on The Company within 6 months of the rejection of the claim in writing and pursues such proceedings to finality.
- (d) If, after the payment of a claim in terms of this policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, The Insured shall render all assistance in the identification and physical recovery of such property if called on to do so by The Company, provided that The Insured's reasonable expenses in rendering such assistance shall be reimbursed by The Company. Should The Insured fail to render assistance in terms of this condition when called upon to do so, The Insured shall immediately become liable to repay to The Company all amounts paid in respect of the claim.

7. Company's rights after an event

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

8. Fraud

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

9. Reinstatement of cover after loss

(not applicable to any section where it is stated to be not applicable)

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

10. Breach of conditions

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

11. No rights to other persons

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

12. Collective insurances

If this insurance is a collective insurance then the following amendment is made to general condition 6(a) (iv) above: “give the leading insurer on behalf of the insurers such proofs, information and sworn declaration as the insurers may require and forward to the leading insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against The Insured in connection with the event giving rise to the claim.” and General condition 7 is substituted by the following:

13. Our preferred service providers (applicable to all sections of the policy)

It is a condition of the policy that you must immediately let us know of everything that happens leading up to a claim. If you appoint your own service provider, we will not pay out more than the amount which our approved service providers would have charged.

14. Jurisdiction

The courts of law of the Republic of South Africa have jurisdiction over this policy.

15. Period of Insurance

At first, the period of insurance is the period from the starting date of the policy up to the last day of the calendar month in which the starting date falls. After that the period of insurance will be one calendar month. For annual policies, the period of insurance will be from the starting date of the policy until the last day of the 12 (twelve) months immediately thereafter.

16. Prescription

If The Company reject a claim:

- (a) The Insured will have 24 months from the date on which the event happened, or such further time as The Company may allow in writing, unless the claim is the subject of pending legal action or relates to The Insured legal liability to a third party;
- (b) it will not be payable unless The Insured claim payment by serving legal process in writing on us within six months of the rejection of the claim and The Insured pursue such proceedings to finality.

17. Changes to the policy

The Company may change this policy by giving The Insured 30 days' written notice at the last address The Company have for The Insured.

18. Consent to information sharing (Sharing of information)

Insurers share information with each other regarding policies and claims with a view to prevent fraudulent claims and obtain material information regarding the assessment of risks proposed for insurance. By reducing the incidence of fraud and assessing risks fairly, future premium increases may be limited.

This is done in the public interest and in the interest of all current and potential policyholders. The sharing of information includes, but is not limited to, information sharing via the Information Data Sharing System operated by TransUnion ITC on behalf of the South African Insurance Association.

By the insurer accepting or renewing this insurance, The Insured or any other person that is represented herein, give consent to the said information being disclosed to any other insurance company or its agent.

The Insured also similarly give consent to the sharing of information with regard to past insurance policies and claims that The Insured have made.

The Insured also acknowledge that information provided by The Insured or your representative may be verified against any legally recognised sources or databases.

By insuring or renewing The Insured insurance, The Insured hereby not only consent to such information sharing but also waive any rights of confidentiality with regard to underwriting or claims information that The Insured have provided or that has been provided by another person on The Insured's behalf.

In the event of a claim, the information The Insured have supplied with The Insured application, together with the information The Insured supply in relation to the claim, will be included on the system and made available to the other insurers participating in the Information Data Sharing System.

The Insurer

Standard Insurance Limited, defined in the policy as "The Company". We are a short-term insurance company (company registration number: 1993/007593/06) and an authorised financial services provider (FSP number 33348).

The Insured

The legal entity or entities defined in the policy schedule as "The Insured".

19. Average

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

20. National Building Regulations

All properties and structures must comply with the National Building Regulations and the Building Standards Act 103 of 1977 as amended.

21. Fire-fighting equipment/protection

The Insured will have no cover under this policy unless The Insured install, maintain and service all fire-fighting equipment or fire protection that is required under the National Building Regulations or any other regulations in the emergency services by-laws.

22. Warning signs

It is a condition of this policy that contractors as well as maintenance and cleaning staff must put up signs warning the public to be careful while they are working on or around insured premises.

23. Disclaimers

It is a condition of this policy that The Insured must put up suitable disclaimers in the form of statements that limit The Insured's responsibility. These disclaimers must be put up at the entrance to the insured property and at all parking areas, children's play areas, jungle gyms, swimming pools, tennis courts/ other sporting facilities, saunas, jacuzzis and water features.

General Provisions

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

1. Claims Preparation Costs

The insurance provided by each section of this policy is extended to include costs reasonably incurred by The Insured in producing and certifying any particulars or details required by The Company in terms of general condition 6 or to substantiate the amount of any claim, provided that the liability of The Company for such costs in respect of any one claim shall not exceed in respect of a particular section, amount stated in the schedule to each section against an item for Claims Preparation Costs and or Additional Claims Preparation Costs.

2. Payments on account

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

3. First amount payable

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

4. Members

Wherever the word “director” is used it is deemed to include “member” if The Insured is a close corporation.

5. Liability under more than one section

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

6. Meaning of words

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

7. Premium payment

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

8. Holding covered

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

9. Schedule sums insured blank

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

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

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

10. Security firms

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

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

11. Value added tax

Indemnity provided under all sections of this policy includes The Insured's liability in terms of the VAT Act, as amended from time to time. All sums insured, values, limits of indemnity, limits of liability, first amounts payable, time excesses and premiums are inclusive of VAT at the applicable rate.

12. Extensions

Where any extension (whether optional or automatic) extends the cover of the policy or section, such extended cover is still subject to the terms, conditions, and exceptions of the policy or section, as the case may be, unless such term, condition or exception has been specifically deleted.

13. No admission of liability

The Insured shall not incur any expense (except as specifically provided for in this policy) in making good any damage without the written consent of The Company, and shall not negotiate, pay, settle, admit or repudiate any claim or accept liability without such consent and may under no circumstances whatsoever consent to the jurisdiction of any court, without prior permission from The Company.

14. Arbitration

Should any difference arise between the Company and The Insured or any claimant as to the amount of any claim under this policy, the same shall be referred to arbitration in accordance with the statutory provisions in force at the time and the obtaining of any award shall be a condition precedent to any right of action against the Company.

Definitions

Act

This document refers to the following acts as they relate to the policy:
the Sectional Titles Schemes Management Act 8 of 2011 as amended or substituted from time to time;
the Community Schemes Ombud Service Act (Act No 9 of 2011), and any later amendment of this act;
the Share Blocks Control Act 59 of 1980, and any later amendment of this act.

Body corporate

The body referred to in section 36 (1) of the Sectional Titles Schemes Management Act 8 of 2011 that manages a building and the land on which that building stands.

Business

The duties and requirements of a body corporate as set out in the Sectional Titles Act 95 of 1986 as they apply to this policy, and as set out in the registered rules that the appointed office bearers have agreed to and amended, or as amended by the statutory regulations and/or the provisions of the regulations;

The duties and requirements of the directors of a company governing the activities of a home owners' association as it applies to this insurance or as amended by statutory legislation and/or the provisions of the legislation; and

The duties and requirements of the directors/members of a share block as per the Share Blocks Control Act 59 of 1980 as it applies to this insurance, or as amended by statutory legislation and/or the provisions of the legislation.

Claim

Any request to the insurer for indemnity or compensation, whether there is a monetary amount for the claim or not on the happening of an insured event.

Common property

in relation to a scheme means:
the land included in the scheme;
those parts of the buildings or those buildings that are not included in private owners' sections.

Condition of average

If a lost or damaged asset is worth more than the maximum amount shown in the policy schedule for that asset, you are underinsured. That means you do not have enough insurance cover for the asset. We will only pay out the amount shown in the policy schedule for a valid claim. You will have to pay the difference between this amount and the replacement value of the asset. This is known as the contractors.

Employee

Any employee of the body corporate, homeowners' association or share block investors' scheme, but not managing agents or their employees or appointed contractors.

Excess

The first amount payable by you or deducted by us in the event of a valid claim.

Home owners' association

The directors of a non-profit company formed to represent the owners of buildings and land, as provided in terms of the Companies Act 71 of 2008.

The Insurer

Standard Insurance Limited, defined in the policy as “The Company”. We are a short-term insurance company (company registration number: 1993/007593/06) and an authorised financial services provider (FSP number 33348).

The Insured

The legal entity or entities defined in the policy schedule as “The Insured”.

Insured event

Means when an event which is insured or covered by us happens to a party which is insured or co-insured under this policy.

Loss ratio

The ratio, in the form of a percentage, between annual claims divided by annual premiums, multiplied by 100.

Owner

All registered owners of a unit, including the owner's spouse and children and other persons that normally live with them.

Participation quota

The formula that a sectional title scheme uses to calculate the levies that each owner must pay.

Policy

This insurance policy together with its schedule and all other documents relating to it.

SABS

South African Bureau of Standards

SANS

South African National Standards

Scheme

A sectional title development scheme, which is an arrangement for managing residential blocks and complexes where people own their own homes but share common areas.

Section

Each individual property in a sectional title development is called a section. Each section is marked on the sectional plan and given a unique number.

Share block investor

The directors and members of a syndicate or company that is formed and run under the Share Blocks Control Act 59 of 1980 or any later amendment of the Act.

Office bearers

The office bearers that were elected to the body corporate.

Unit

A section together with the undivided share in the common property that goes with the section based on its participation quota, or the interest in a unit that belongs to each share block investor.

Section B: Building

Defined event

1. Damage by perils described
 - (a) in **Sub-section A**, to all the property that belongs to the insured or for which the insured is responsible. This includes, but is not limited to, the buildings and their outbuildings (built of brick, stone, concrete or a metal-on-metal framework and roofed with slate, tiles, metal, concrete or asbestos, unless it says otherwise in the schedule), plant, equipment and other permanent structures and improvements as well as sporting and recreational structures, and the landlord's fixtures and fittings in and on it; walls (except dam walls); gates, posts and fences; tarred or paved roadways, paths and parking areas; and fire extinguishing equipment; and
 - (b) in **Sub-section B** to public supply connections in the positions described in the policy schedule
2. Loss of rent/levies as provided for in **Sub-section C**
3. Increase in cost of working as provided for in **Sub-section D**

For the purpose of the above defined events, the following buildings including outbuildings thereto shall be deemed to be excluded:

- (i) wendy houses;
- (ii) shacks (informal structures);
- (iii) refurbished shipping containers; and
- (iv) buildings and structures that do not comply with the National Building Regulations Act 103 of 1977 as amended.

Sub-section A: Property

Damage to property means sudden and unforeseen damage caused by:

1. fire, lightning, thunderbolt, subterranean fire or explosion;
2. storm, wind, water, hail or snow, except:
 - (a) if it was damaged because it underwent a process for which water must be used or applied;
 - (b) wear and tear or gradual deterioration;
 - (c) loss of or damage to retaining walls, unless they were built in accordance with architectural and/or engineering specifications. You must give us proof of this;
 - (d) loss or damage caused or worsened:
 - (i) by sinking or landslip;
 - (ii) because you did not take all reasonable precautions to maintain the insured property and keep it safe and to minimize any destruction or damage; or
 - (iii) by mildew, damp, a rise in the underground water table, rising damp, rust, corrosion or rot;
3. earthquake;
4. aircraft and other aerial devices, or articles dropped from them;
5. impact, but not the item or thing causing the impact;
6. theft (or any attempt at theft) accompanied by forcible and violent entry into or exit from the building. If any building that is insured or that has the insured property inside is unoccupied for 30 days in a row, that building will not be covered anymore unless you get our written agreement to continue policy under those circumstances before the damage takes place. During these 30 days that the property is unoccupied you will become a co-insurer with us and will bear a rateable proportion of any damage of 20% of the claim before we deduct any excess amount;
7. accidental breakage or collapse of radio or television aerials, satellite dishes, aerial fittings or masts;
8. sudden and unforeseen bursting, overflowing or escape of water or oil from tanks, apparatus or pipes (including any fixed water or oil-fired or gas-heating installation), as well as damage to these tanks, apparatus or pipes (including firefighting appliances). Damage as a result of wear and tear and gradual deterioration is excluded. Our indemnity for the replacement of hot-water installations such as heating appliances is limited to the amount specified in the policy schedule, minus the excess given in the policy schedule. This section must be read together with SECTION K, where applicable; and

9. accidental physical loss of, or damage to, the insured property in, on or about the premises that you do not have other insurance for, or for which insurance is available and described (whether it forms part of this policy or not) in terms of any section (except SECTION F: ALL RISK) that is listed in the table of contents of this policy.

The amount payable for all loss or damage coming from one original cause or source may not be more than the sum given. In spite of general condition 9, you can't use this section to contribute to any defined event for which you have more specific insurance.

Exceptions that apply to Sub-section A above.

We will not be liable for:

1. any peril that is excluded or circumstance that is not allowed under any other insurance available from us when this policy begins, or for any excess you have to pay under such insurance, or for any reduction of the amount payable under any claim because the principle of average is being applied;
2. more than the individual value of any item that forms part of a pair, set or collection. It doesn't matter what special value such an item may have as part of such a pair, set or collection;
3. detention, confiscation, attachment, destruction or requisition by any lawfully formed authority or other judicial process;
4. unexplained disappearance or shortage that you only notice during or after an inventory, or errors or omissions in receipts, payments or accounting, or misplacing of information;
5. loss of or damage to insured property caused by:
 - (a) any fraudulent scheme, trick, device or false pretence practised on you (or any person with custody of the insured property), or fraud, or the dishonesty of any office bearer or employee;
 - (b) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exclusion applies only to vessels, pipes, tubes or similar apparatus;
 - (c) breakdown or electrical, electronic and/or mechanical fault;
 - (d) it being altered, bleached, cleaned, dyed, manufactured, repaired, restored, serviced, renovated or tested, or any other work being done on it;
 - (e) a fault or defect in its design, formula, specification, drawing, plan, materials or workmanship; professional advice; normal maintenance; gradual deterioration; depreciation; corrosion, rust, oxidation or other chemical action or reaction; frost; change in temperature; expansion; humidity; fermentation or germination; dampness; dryness; wet or dry rot; shrinkage; evaporation; loss of weight; contamination; pollution; change in colour, flavour, texture or finish; or its own wear-and-tear;
 - (f) denting, chipping, scratching or cracking that does not affect the operation of the item; and
 - (g) domestic pets, termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions, and the action of light;
 - (h) settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property;
 - (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes because it
 - (i) leaked or was released from its container, or loss or damage because of chemicals, oils, fluids, gases or fumes that leaked or were released;
 - (ii) failure of and/or the deliberate withholding and/or lack of supply of water, steam, gas, electricity, fuel or refrigerant;
 - (iii) collapse of plant, machinery, buildings or structures (except for shelving or storage platforms); and
 - (iv) damage to irrigation equipment.

Damage due to Power surge

Any damage that an electrical power surge or lightning strike causes to insured property is limited to R50 000 or any other amount stated in the schedule.

The Company will not pay for damage caused by:

1. Any item that the Insured uses as a tool of trade; or
2. Damage that is covered by any guarantee, purchase contract or agreement, or service contract.
3. First amount payable stated in the policy schedule.

Sub-section B: Public supply connections

Sudden and unforeseen accidental damage to water, sewerage, gas, electricity and telecommunication connections to your property or for which you are legally responsible, between the insured property and the public supply or mains.

Sub-section C: Rent/levies recoverable from tenants

We will pay in respect of 1, 2, or 3 or a combination thereof and 4 (where applicable) below, subject to the limit of liability stated on the schedule and average, if:

- a. The building, unit or common property is damaged to the extent that it is not habitable; or
- b. Access to the building, unit or common property is prevented due to damage to other property within a 10km radius of the situation;

but only for the period necessary for the completion of repairs or reconstruction or until reasonable access has been restored.

1. Residential buildings and units

We will pay the actual amount of rental lost if:

- i. The building or unit is leased to a tenant in terms of a signed lease agreement; or
- ii. In the absence of a signed lease agreement, you can provide positive proof of rental income; or
- iii. You can prove and provide a signed agreement that the building or unit would have been leased out.

If the unit is owner-occupied, we will pay the reasonable rent payable of equivalent unfurnished alternative accommodation.

We will also pay the reasonable costs to remove, store and return any undamaged household contents of owner-occupied units if not otherwise insured. The most we will pay is the sum insured as stated on the schedule.

2. Commercial and Industrial units

We will pay the actual amount of rental lost if:

- i. The unit is leased to a tenant in terms of a signed lease agreement; or
- ii. In the absence of a signed lease agreement, you can provide positive proof of rental income; or
- iii. You can prove and provide a signed agreement that the unit would have been leased out

If the unit is owner-occupied, we will pay the reasonable rent payable for a similar unfurnished unit.

3. Hotel, Holiday, Guest House and Bed and Breakfast Units

If the unit is leased or rented out on this basis, we will pay an amount equal to the actual amount lost if you can prove and provide documentary evidence that the damaged unit was occupied at the time of the loss or would have been occupied had the damage not occurred.

We will not compensate you for loss of income that you would normally earn through the provision of extra services, for example, but not limited to: laundry, food or beverages.

4. Residential, Commercial, Industrial, Hotel, Holiday, Bed and Breakfast and Guest House Units

We will pay reasonable costs to remove, store and return undamaged contents if not otherwise insured.

Sub-section D: Increase in cost of working

Any additional expenditure not otherwise provided for in this section reasonably incurred by you for the purposes of maintaining the normal operation of the business in consequence of loss or damage in respect of which payment, reinstatement or repair has been made or liability therefore admitted by us under Section B: Buildings.

Clauses and extensions

Subsidence and landslip extension (applicable to Sub-section A)

Definitions

Subsidence: The downward movement or sinking of a site with or without buildings, not because of the building itself (if there is a building).

Landslip: The downward and/or sideways movement of sloping ground because of its own weight and loads that have been put on it that are too heavy for the ground to carry.

Settlement: The downward movement of a site because of a load being put on top of it, which is the wholly natural effect of putting a load on top of a site and is unpredictable.

Active soils: A soil that changes in volume to varying degrees because of changes in moisture content. The soil may swell and increase in volume when it gets wet and shrink and decrease in volume when it dries out.

This section is extended to include sudden and unforeseen loss of or damage to insured buildings caused by subsidence or movement of the land that keeps the insured buildings in place, or by landslip. It does not include loss or damage that is caused by or comes from:

1. excavations, except for mining excavations;
2. changes, additions or repairs to the building;
3. the compaction of made-up ground or infill, or compaction of filling that was not done properly;
4. bad design, materials or workmanship;
5. normal settlement, shrinkage or expansion of the building;
6. leaking taps, leaking pipes or leaking swimming pools; or
7. active soils that keep changing, except where precautions were taken by using a professional engineering design during construction.

If there is any loss or damage to a building, you will be responsible for any first amount payable in the schedule.

We will not be liable for loss or damage to:

1. solid floor slabs or any other part of a building because the slabs moved, unless the foundations supporting the external walls of the building are damaged by the same cause at the same time; or
2. swimming pools, tennis courts, patios, terraces, driveways, paths, septic or conservancy tanks, drains, water courses, walls, garden walls, retaining walls, gates, posts or fences, unless the building is damaged by the same cause at the same time.

We will not be liable for:

1. work that has to be done to stop further loss or damage because of sinking, heave or landslip, except where appropriate design precautions were put in place during the original construction of the building and any later additions to it;
2. any loss that is caused by another loss, except loss of rent;
3. active soils, except where precautions were taken by using a professional engineering design during the original construction of the building and any later additions to it;
4. buildings built on dolomite sites, including property situated in Centurion, Olifantsfontein, Valhalla, Welkom, Virginia, Carletonville, Westonaria and Randfontein, unless we have specifically agreed to it; or
5. coastal or river erosion, or buildings built within 500 meters of the shoreline.

If we say in any action, suit or other legal proceeding that any damage is not covered by this insurance because of the provisions of this extension, you must prove otherwise.

Lightning strikes

You will pay a further excess of 10 per cent of the net amount payable for items damaged by lightning strikes to the insured property, subject to a minimum amount payable of R1 000 and a maximum amount payable of R5 000 per claim. If the insured property was properly protected by SANS-approved safeguards against electrical supply fluctuations, you will not have to pay this extra excess.

Leakage extension

If your policy schedule states that a leakage extension is included in your insurance policy, the following peril is added to the perils in Sub-Section A

10. Damage caused by flow or leakage from any sprinkler, drencher system or fire-extinguishing installation/appliance.
 - a) You will be responsible for the First Amount Payable of R2 000 per claim.
 - b) The maximum amount we will pay per claim will not be more than R50 000 less the First Amount Payable of R2 000.

Prevention of access extension to Sub-section C

If property within 10 kilometres of the premises described in the schedule is lost or damaged by a peril defined in Sub-Section A while you are insured and because of that you cannot use or get access to the property insured by this section, we will pay out any rent you lose because of this up to an amount not more than **30 per cent** of the sum insured on that property. We will base the calculation on the rent/levies payable immediately before the damage or its equivalent in rental value.

Capital additions clause

The insurance under this section covers alterations, additions and improvements (but not where the value has become more than the sum insured) to the property for an amount not more than 15 per cent of the sum that the property is insured for. You have to let us know each quarter of any new alterations, additions and improvements and pay the necessary extra premium on it.

If you do not let us know about alterations, additions and improvements, they will not be covered under this policy.

Demolition and professional fees

If an insured building is so damaged by an insured peril that it has to be demolished, as long as you first get our written consent we will pay:

1. to demolish the building, remove debris from the site and put up hoardings needed for building operations;
2. for architects', quantity surveyors' and consulting engineers' fees; and
3. for local authorities' inspection fees.
4. Settlement will never be more than 15% of the amount payable for such damage, and the total amount you get will not be more than the sum that the property is insured for.

Municipal Plans Scrutiny Fee Clause

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

Fire extinguishing charges clause

We will treat any costs to do with the extinguishing or fighting of fire as damage to the insured property. These costs will be payable on top of any other payment for which we may be liable in terms of this section, as long as you are legally liable for such costs and the insured property was in danger from the fire.

Public authorities' requirements clause

The insurance under this section includes any extra cost of repairing or rebuilding damaged property if the repairs or rebuilding had to be done only to comply with building or other regulations created by an act of parliament or an ordinance of a provincial, municipal or other local authority, but:

1. the amount covered under this clause will not include:
 - a. the cost of complying with the regulations described above:
 - i. to repair damage that took place before this clause was made available;
 - ii. to repair damage that is not insured by this section;
 - iii. if notice was served under those regulations before the damage took place; or
 - iv. to repair or rebuild undamaged property or undamaged portions of property other than the foundations (unless foundations are specifically excluded from this insurance) of the damaged portion;
 - b. the extra cost that would have been needed to bring the property back to its condition when it was new, if it hadn't become necessary to comply with any of the above regulations; or
 - c. the amount of any rates, taxes, duty, development or other charge or assessment because of capital appreciation which has to be paid to comply with any of the above regulations;
2. the work of repairing or rebuilding must start and be carried out without delay, and all of it or part of it may be carried out on another site if this is necessary because of the above regulations, as long as that does not increase our liability under this clause;
3. if our liability under any item of this section (apart from this clause) becomes smaller if we apply any of the terms, exceptions and conditions of this section, then our liability under this clause for such an item will become equally smaller; and
4. the total amount you can recover under any item of this section may not be more than the sum for which it is insured.

Railway and other subrogation clause

You will not be disadvantaged if you sign the Transnet Cartage (Hazardous Premises) Indemnity or other special agreements with the Transnet administration to do with private sidings, or similar agreements with other government bodies.

Reinstatement value conditions

If the property is damaged, we will calculate the amount payable based on the cost to replace or reinstate the same type of property on the same site, but not better or bigger than the insured property when it was new, but:

1. the work (which may be carried out on another site and in any way that suits your needs, as long as it does not increase our liability) must start and be carried out without delay, otherwise we will not pay more than the amount which we would have had to pay if these reinstatement value conditions had not existed;
2. until you have paid to replace or reinstate the property, we will not be liable for any payment bigger than the amount which we would have had to pay if these conditions had not existed;
3. if, at the time of replacement or reinstatement, the amount that it would have cost to replace or reinstate the whole insured property is more than the sum it was insured for when the damage by a defined event started, then you will not be covered for the excess and must carry a rateable proportion of the loss. Each item from this section (if there is more than one) to which these conditions apply is separately subject to this provision;
4. these conditions will not apply if:
 - you do not let us know within six months of the date of damage, or within a longer period of time that we allow in writing, that you plan to replace or reinstate the property; or
 - you cannot or will not replace or reinstate the property on the same or another site;

Temporary removal clause

Landlords' fixtures and fittings are covered while they have been temporarily removed to any other premises, including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, except for any amount they are insured for elsewhere. But the amount payable under this clause will not be more than the amount that would have been payable if the loss took place on the premises from which the property is temporarily removed.

Tenants clause

No act or omission by any owner of a unit or their tenant (if the insured or owner did not know about it) will make the insurance invalid (except if all the owners together commit it, and except for damage belonging to the owner whose act or omission caused the damage), as long as the insured or owner lets us know as soon as they find out about the act or omission and pays the appropriate extra premium when we ask them to do so.

Escalator clause extension

During each period of insurance, we will increase the sums insured under SUB-SECTION A of this section by an equal portion of the percentage specified in the schedule to the number of days since the start of the period compared to the whole period. Unless we have agreed otherwise, these provisions will only apply to the sums you are insured for when the period of insurance starts.

At each renewal date, you must let us know what sums you want to be insured for over the next period of insurance, and what percentage increase you want for that period. If you do not, this clause will no longer apply.

Malicious damage extension

Subject to the terms, conditions, exclusions, exceptions and warranties of this policy, we extend this section to cover loss or damage directly caused by or through or because of the deliberate or wilful or wanton act of any person, committed with the intention of causing the loss or damage, except for loss or damage to:

1. insured property which is:
 - (a) stolen; or
 - (b) damaged in an attempt to remove it or part of it from any premises that you own or occupy;
2. insured property which is damaged by thieves while breaking or trying to break into or out of any premises that you own or occupy; or
3. insured property that you own or occupy, brought about by or through or as a result of:
 - (a) the removal or partial removal of the property or any attempt to remove it;

- (b) the demolition or partial demolition of the property or any part of it, or any attempt to demolish it, with the intention of stealing any part of it, except for loss or damage that has to do with or was caused by fire or explosion;
- (c) any kind of consequential or indirect loss or damage, except for loss of rent, if you specifically insured this;
- (d) loss or damage because all work or part of it had to stop, or any process or operation was slowed down or interrupted or stopped;
- (e) loss or damage because you lost possession of the property permanently or temporarily after any lawful authority confiscated, commandeered or requisitioned it; or
- (f) loss or damage that has to do with or was caused by any event described in general exclusion 2 of this policy, or the act of any lawfully established authority while controlling, preventing, suppressing or in any other way dealing with the event.

If we say that this section does not cover any loss or damage because of 3 (a) to 3(f) above, you must prove otherwise.

If any building that is insured or that has insured property in it is unoccupied for 30 days in a row, it will not be covered under this extension unless you get our written agreement to continue the extension before any damage to it takes place. During these 30 days that the property is unoccupied you will become a co-insurer with us.

Theft (No forcible and violent entry)

Any damage caused by an attempted theft or theft where there has been no forcible or violent entry into or exit from a building will be limited to the sum you are insured for that is given in the schedule.

This will not apply if an insured building or a building containing the insured Property is unoccupied for 30 days in a row, unless we gave you our written agreement to continue this insurance before the theft or attempted theft took place. During those 30 days, you will be responsible for paying a proportion of any damage. This amount will be equal to 20% of the claim before the deduction of any First Amount to be paid.

The maximum amount payable per event will not be more than R30,000 before deduction of the first amount payable.

Interest of the mortgagees

1. As for the mortgagees' interest in the buildings, improvements, landlord's fixtures and rent that are insured, this insurance will not become invalid because:
 - (a) of any act or neglect of the body corporate or any of the owners of units as defined in the Sectional Titles Act 95 of 1986, as amended or replaced from time to time;
 - (b) of any misrepresentation or non-disclosure by the body corporate or any of the owners of the units at the time when the insurance is taken out or renewed or while it operates; or
 - (c) the property is alienated by giving it over to someone else; or
 - (d) the property is used for something that is more unsafe than the policy permits, as long as
 - i. the mortgagees did not know about such act, neglect, misrepresentation, non-disclosure, alienation or occupation;
 - ii. the mortgagees let us know about such act, neglect, misrepresentation, non-disclosure, alienation or use as soon as they find out about it;
 - iii. when asked to do so, the mortgagees pay the extra charge for any increased hazard according to the set scale of rates, for the period of insurance that we carry the increased hazard; and
 - iv. any compensation payable in terms of this section is paid directly to the mortgagees of that unit, in the order of preference of their bonds up to the value given to that particular unit in this policy, or all of the amounts together that the unit owner owes the mortgagees under their mortgage bonds, whatever amount is smaller.
2. We will use all amounts that we must pay out under this insurance policy for damage to or destruction of buildings, improvements or landlord's fixtures to fix the damage, unless section 48 of the Sectional Titles Act says we have to do otherwise. If a decision is taken or we are ordered not to fix the damage in terms of

section 48 of the Sectional Titles Act, we will pay out any claim firstly to the mortgagees of the unit, or we will pay out the total of the amounts that the unit owner owes the mortgagees under their mortgage bonds, whatever amount is smaller.

3. The condition of average clause in this policy applies to the individual units (excluding the owner's interest in the land) and not to the property as a whole.
4. We will pay out no amount under this policy except if there is actual physical damage to or destruction of the insured property, even if the insured property is regarded as having been destroyed under section 48 of the Sectional Titles Act 95 of 1986 (as amended or replaced from time to time), and the provisions of that section will not be used in applying or interpreting this policy.

Accidental damage to glass, sanitaryware, undamaged granite, marble and similar fragile counter tops

Accidental breakage of glass, mirrors and sanitary ware is covered as long as it is a fixture to the building. The building must be furnished and occupied when it breaks. Chipping, scratching and disfiguration are not covered.

If it becomes necessary to remove undamaged counter tops to carry out repairs and they are damaged in the process, we will pay a reasonable amount to have them replaced.

You will be responsible for the First Amount Payable of 10% of claim, minimum R500 per claim

Guards

We will pay a maximum amount of R25 000 per incident or R25 000 in any 12-month renewal period for guards to protect your building after an insured peril has taken place if you can show that the security of the complex has been weakened.

Damage to garden

We will pay out a maximum of R25 000 per insured event to replace trees, plants or shrubs on the premises after damage by fire, fire-fighting operations, explosion, impact, aircraft and other aerial devices or articles dropped from it, or from any person deliberately, wilfully or wantonly causing a loss or damage to your garden. You will be responsible for the First Amount Payable of R2 000 per claim

Builders' risk

All building work and/or alterations must comply with the requirements set out in the National Building Regulations and Building Standards Act 103 of 1977 as amended.

While the building is being built or structurally changed, cover provided by the following sections will not apply to loss, destruction, damage or liability that comes directly or indirectly from the building operations:

Loss of water by leakage

The Company will indemnify The Insured for the cost of water lost through leakage from pipes on The Insured property if The Insured has to pay for it, subject to the following:

1. If the quarterly/monthly reading of water consumption is more than the average of the last four quarterly/12-monthly readings by 50% or more, The Company will cover The Insured for the extra cost up to a limit of R10 000.
2. The Company will pay up to R10 000 for not more than two separate incidents in any twelve-month period of insurance.
3. The Company will only cover The Insured under this extension if The Insured take immediate steps to repair any leaking pipe(s) as soon as The Insured discover a leak (from seeing the physical evidence, or after receiving an abnormally high-water account).

4. This extension does not cover the cost of fixing the problem, including repairs to leaking pipe(s).
5. The Company will not cover The Insured:
 - (a) for leaking taps, heating appliances, toilet systems and swimming pools;
 - (b) while the property is unoccupied for a period of more than 30 days; or
 - (c) where the water level of a swimming pool has to be topped up as a result of a leaking inlet or outlet pipe.
 - (d) for the first amount payable of 10% of claim, minimum R1 000 per insured event.

Water Leak Detection

Costs necessarily and reasonably incurred by the insured in:

1. locating the source of leaking, bursting, discharging, or overflowing of tanks, apparatus or pipes but excluding heating appliances, used to carry water (including damage to other property necessary to effect the repair or replacement) and repairing or replacing the defective part or parts of such tanks, apparatus or pipes up to a limit of R 5,000.00 any one event and subject to the utilisation of a Standard Insurance Limited approved service provider.
2. cleaning up any pollution damage to land at the risk address, as a direct result of leakage described under this extension with the cost to be incorporated in the limit specified in item 1 above.

Provided that the leaking, bursting, discharging or overflow is caused by an event not excluded by the policy including wear and tear and gradual deterioration or lack of maintenance.

Dehumidification and water removal

We will cover you up to an amount of R5 000 for the reasonable cost to remove water and dehumidify the building after damage caused by water following an insured peril. You do not have to get our consent first to do so. You will be responsible for the First Amount Payable of R500 per claim.

Removal of fallen trees

We will pay up to R6 000 per event for you to remove and get rid of trees that have fallen onto the insured premises after an insured event, but you must first get our written consent to do so. We will not pay for you to remove or get rid of tree stumps or roots. You will be responsible for the First Amount Payable of R500 per claim.

Land and water clean-up costs

We will cover the costs of cleaning up land or water at a defined location if it becomes necessary after the release, discharge or dispersal of material following damage by an insured peril on the insured property that takes place during the period of insurance. You must let us know about the event within 30 days after it happened. The maximum amount we will pay per claim will not be more than R50 000.

Alterations and additions (Common property and individual units)

We will cover you for the loss of, or damage by an insured peril to, the permanent works and materials that are meant to form part of the insured property. This includes free issue materials. We will cover you from the time that the first materials are delivered to the site until the owner has accepted the works. The cover stops when the policy period ends, whether the project is completed or not.

The maximum amount we will pay per claim will not be more than R25 000.

Intercom system sim card

Following theft of a sim card from the intercom system, we will pay for the charges made for unauthorised telephone numbers.

- a) You will be responsible for the First Amount Payable of R250 per claim.

b) The maximum amount we will pay per claim will not be more than R2 500 less the First Amount to be paid of R250.

Locks, keys, access cards and remotes extension

In addition to any payment for a defined Event, we will indemnify you against the cost of replacing locks, keys, remotes and access cards to the premises or any safe or strongroom on the premises if these items have disappeared or you suspect that an unauthorised person has duplicates of these items. If this happens:

- (a) You will be responsible for the First Amount Payable of R500 per claim.
- (b) The maximum amount we will pay per claim will not be more than R20 000 less the First Amount to be paid of R500.

Swimming pool/borehole pumps

If swimming pool machinery or borehole, water feature or pond pumps at the premises are damaged by any cause other than wear and tear or depreciation:

- a. We will repair or replace the damaged equipment or pay you the value of the damaged equipment, whichever you choose, up to R5 000 for any one Event or any amount stated on the schedule.
- b. You will be responsible for the First Amount to be paid of R500 for each Event

Maintenance and cleaning equipment

This policy is extended to include cover for loss or damage by perils 1 to 5 (described in Sub-section A – Perils) to equipment you own for maintaining and cleaning the premises. The maximum amount we will pay for each Event will be R10 000.

Fire Protection System Updating

Where, following insured damage to the building, it is a legal or statutory requirement for the Insured to update or replace their automatic fire protection system (including undamaged portions thereof) with a more modern design system, this insurance shall indemnify the Insured in respect of the additional costs and expenses incurred. This cover will only apply if, at the time of the damage to the insured building, the Insured can produce evidence of a current certificate issued by the Automatic Sprinkler Inspection Bureau (Pty) Ltd. We will not pay if extensions, alterations, or renovations to the insured building are in progress.

The Insurers' liability shall not exceed the limit stated in the schedule of this policy.

Generator Hire (If stated in the schedule)

If, in the event of insured damage to any electrical reticulation installed on the insured building, it becomes necessary to hire a generator (including power connecting cables and reticulation) in order to continue to provide electrical power to the insured building as it existed prior to the damage, then we will pay for the reasonable hire costs, but only for the period necessary to repair or replace the electrical reticulation.

The Insurer's limit of liability shall not exceed the R50 000 or any amount stated in the schedule of this policy subject to a first amount payable of R2 000 for any one claim.

Specific exclusions applicable to Section B

We will not pay for:

1. loss or damage to, and the costs necessary to replace or repair, rectify or make good, insured property which does not work like it should; normal wasting, wearing away or wearing out; or gradual deterioration, but this exclusion will not apply to other insured property which does not have the defective condition but is damaged because of it;
2. damage because of lack of maintenance or upkeep;

3. the cost of replacing or reinstating damaged property with a better or bigger type than the insured property when it was new;
4. the design, improvement, betterment or alteration of insured property when it has to be repaired, replaced or reinstated after any loss or damage;
5. loss or damage to retaining walls, unless they were built in terms of the National Building Regulations and/or engineering specifications, and if so, you must give us proof of this;
6. any higher cost because matching materials were not available;
7. loss or damage caused by domestic pets, termites, insects, vermin, inherent faults, fumes, flaws, latent defects, fluctuations, atmospheric or climatic conditions, or the action of light;
8. interference with, or the removal or weakening of, support of an insured building;
9. loss or damage caused by water because a heating appliance drip tray was not installed in accordance with SANS specifications 10254 and 0142 and any later amendments of these specifications;
10. loss or damage caused by roots or weeds to paving, walls, pipes, driveways, tanks, cabling, and recreational and sporting areas;
11. the lifting and cracking of tiles and floor coverings because of the incorrect application of tile cement, not enough tile cement, incorrect expansion gaps, changes in temperature or poor building practices;
12. loss or damage which existed or took place before this policy started.

Section C: Contents

This cover is for loss of or damage to certain contents insured by this policy.

Defined events: What the Insured may claim for under this section

Under this section you can claim for sudden and unforeseen loss of or physical damage to:

1. contents (see definition below);
2. electronic data processing equipment (see definition below);
3. landlord's fixtures and fittings that belong to you or which you are responsible for;
4. property that is owned by office bearers or employees and contained in the office premises (as defined in the schedule), for up to R2 500 a person, unless the schedule does not list this property or the property is insured somewhere else that is caused by any of the insured perils set out in Sub-section A of this section
5. all or part of the property that is insured and described under Sub-section C of this section, and the consequences of this loss or damage as insured and described under Sub-section D; and loss or expenditure, or both, as described in Sub-section D of this section.

Definition of Contents

Contents are unfixed, movable property belonging to the Body Corporate or Home Owners Association. They include:

furniture, equipment, garden furniture, tools, laundry and gym equipment; clubhouse and office equipment; and any other items listed in the schedule.

This section does not cover the following contents:

unfixed, moveable property owned by unit owners, directors or any other person or party; cash, credit cards, SIM cards or any other negotiable instruments; any vehicles or craft or any of their accessories or spare parts; stock-in-trade; any items that are not kept in an enclosed building; items such as laptops, digital notepads, tablets and portable mobile communication equipment (you must specify these items and pay an extra premium if you want us to cover them); and documents defined in Sub-section B of this section.

Definition of electronic data processing equipment

Electronic data processing equipment is defined as:

1. desktops (personal computers);
2. modems, printers, photocopying and facsimile machines; and telecommunication equipment (except for mobile phones).
3. laptops, digital notebooks and similar portable items (these must be specified in the schedule);

Limit of liability: What the Company will pay out

The table below shows the limits of the Company's liability for each loss or damage the Insured will claim for. This is the maximum amount we will pay out for loss or damage caused by the defined events. Or any amount stated in the schedule.

Contents that are covered:	Liability limit
Office premises	As stated on the Schedule
Electronic data processing equipment (including loss or damage as a result of power surge or lightning strike)	R50 000
Laundry premises	R20 000
Workshop or maintenance premises	R20 000
General purpose premises, e.g. communal hall or gym	R20 000

If a power surge or lightning strike causes the loss or damage, the Insured will pay 10% of the maximum liability amount or R1 000, whichever is greater.

What happens when actual values and the Insured values differ?

When loss or damage takes place, the Company will compare the total value of the lost or damaged property with the value listed in the schedule. If the total value of the property is less than or the same as the value in the schedule, the Company will pay the amount that is claimed, up to the maximum amount set out in the table above; or higher than the value in the schedule, the Insured must pay in the difference between what the Company pay out and the actual value of the property. This does not apply to peril 6, listed in Sub-section A of this section.

Sub-section A: Contents

What this sub-section covers

This section of the policy gives you cover for sudden, unexpected damage caused by the following insured perils:

1. fire, lightning, thunderbolt, underground fire or explosion;
2. storm, wind, water, hail or snow;
3. earthquake;
4. aircraft and other aerial devices, or articles dropped from them;
5. impact by animals, trees, aerials, satellite dishes or vehicles
6. accidental breakage of mirror glass, plate glass tops on furniture or fixed glass that forms part of a piece of furniture;
7. theft or attempted theft with forcible and violent entry into or exit from the office premises; and theft or attempted theft following violence or the threat of violence.

What this sub-section does not cover:

We do not cover the following:

1. Loss of or damage to property in the underground workings of any mine;
2. Damage to animals, trees, aerials, satellite dishes, vehicles or property on vehicles that have caused loss of or damage to property;
3. Loss of or damage to property caused by necessary processes that involve using water on or applying

- water to the property;
4. Property outside South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique;
 5. Designs, patterns, models or moulds (unless these are insured under SUB-SECTION A), stock-in-trade, samples, motor vehicles and motor vehicle accessories, money, securities, stamps, jewellery or precious stones; or
 6. Loss or damage caused by theft or attempted theft by any office bearers, members of the body corporate or employees of the insured.

Sub-section B: Documents (if stated on the schedule to be covered)

We cover loss of or damage to documents that are normally kept at the office premises **Documents include:** abstracts; addressograph plates; agreements; books; certificates; deeds; drawings; films; letters; manuscripts; maps; mortgages; plans; records; tapes; wills; documents; and similar written, printed or otherwise inscribed papers and documents you own, use in the business, or are responsible for.

Documents do not include:

any written evidence of indebtedness or other obligation; any written orders to pay a certain sum in money; bearer bonds; cancelled and un-cancelled coupons; cheques; computer software and media carrying computer data; current postage or revenue stamps; drafts; money; property carried, or held as samples, or held for sale or delivery after sale; or securities, unless the schedule says otherwise.

Limitation Clause

The company's liability under this sub-section is limited to all costs, charges and expenses incurred by the insured in replacing or restoring such documents up to an amount of R10,000.

What this sub-section does not cover:

Under this sub-section of the policy, we do not cover loss or damage caused by:

1. electric, electronic or magnetic damage, disturbance or erasure of electronic or magnetic recordings (unless this is caused by lightning, in which case we will pay 10% of the maximum liability amount or R1 000, whichever is higher);
2. vermin; inherent defect; processing, copying or other work done on the documents; the dishonesty of any office bearer, acting alone or in collusion with others (this exclusion will not apply to a office bearer who is also an employee that you can govern, control and direct in how they carry out their work for you); or gradual deterioration, or wear and tear.
3. The policy also does not cover the cost of reshooting films or videos, or re-recording audiotapes.

Sub-section C: Legal liability documents (if sub-section B is taken)

Limit of liability: what the Company will pay out

Legal liability as a direct consequence of loss of or damage to documents as defined in sub-section B and in respect of which payment, reinstatement or repair has been made or liability admitted by the company under sub-section B unless such payment reinstatement repair or liability has not been made or admitted solely because the insured is required to bear the first portion of the loss. The company's limit of liability shall not exceed R1,000,000.

Specific exclusions under sub-section C: What this sub-section does not cover

This sub-section does not cover liability assumed by the insured under any contract, undertaking or agreement where such liability would not have attached to the insured in the absence of such contract, undertaking or agreement.

Sub-section D: Increase in cost of working

Cover for other expenses to do with loss or damage

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

The indemnity under this sub-section shall not exceed 30 percent of the sum insured on all contents of the office premises affected.

Sub-section E: Electronic equipment

We will indemnify You in respect of Physical Loss of or Damage to the Property Insured described in the schedule from any cause

not hereinafter excluded while:

1. working or at rest;
2. being dismantled for the purpose of cleaning inspection and overhaul or in the course of these operations themselves or subsequent
3. assembly within Your Office Premises within the Territorial Limits;
4. incidentally in transit including loading and unloading or while temporarily stored en route;
5. temporarily removed from Your Office Premises to any other location within the Territorial Limits.

What this Sub-section does not cover

We are not liable for.

1. the first amount payable (as set out in the schedule) of each event that causes a claim. If more than one item of the insured property is lost or damaged because of an event, the first amount payable will be the highest single amount for which the property is insured.
2. derangement, where the item does not work properly but it looks undamaged;
3. loss or damage that you can claim for under a maintenance or leasing agreement;
4. faults or defects that you, the office bearers or responsible employees knew about when you took out this insurance, or that you found out about after taking out the policy and did not tell us about;
5. waste of material or wearing out of any part of the insured property because of:
 - a. ordinary use or working;
 - b. other gradual deterioration;
 - c. the development of poor electrical contacts; or
 - d. scratching of painted or polished surfaces that makes an item look bad;
6. parts with a short life, such as bulbs, valves, contacts, X-ray tubes and cathode rays;
7. exchangeable parts such as tubes (including thermic emission tubes), fuses and sacrificial buffer circuits, even if damage to these parts is caused by damage to other parts of insured property (if this happens, we will pay for the insured property but not for the exchangeable parts);
8. the cost of reproducing data or programs recorded on cards, tapes, discs or other material;
9. loss of use of the insured property or any other loss, damage or liability that is not specifically covered in this policy;
10. loss of the insured property due to theft or disappearance where there is no forcible and violent entry to or exit from the specific place at the premises:
 - a. from your office premises or other temporary location unless identifiable by you with specific incident which has immediately been reported to the police and as soon as possible to us;
 - b. during transit unless identifiable by you with specific incident which has been immediately reported to the police and as soon as possible to us;

- c. we will not indemnify you for theft or disappearance of the property insured from any motor vehicle where the property insured has been:
 - i. left in the motor vehicle overnight unless the vehicle is housed in a securely locked building and entry to or exit from such building is accompanied by forcible and violent means;
 - ii. contained in a compartment of the motor vehicle which is not visible to passers-by;
 - iii. left in an unlocked motor vehicle (i) and (ii) above will not apply to theft or disappearance of the property insured where the transport motor vehicle:
 - a. has been hijacked or stolen (unless left unlocked);
 - b. has been involved in a road accident or sustains a breakdown and due to circumstances beyond the control of the vehicle crew/driver the property insured is of necessity left un-protected.
- 11. loss or damage of any kind caused by a computer virus, Trojan or worm, or other similar, destructive media; or
- 12. loss of or damage to property that is under a manufacturer's guarantee, unless you have already claimed under that guarantee.

Basis of loss settlement: How we calculate your cover

Partial loss

A partial loss is when damage to the insured property can be repaired. If there is a partial loss, we will base the amount we cover on the reasonable cost to make the item work again.

If there is a partial loss:

1. we will deduct the value of parts that can still be used from the amount we pay out;
2. we will not pay for any alteration, addition, improvement or overhaul made when the damaged item is repaired;
3. we will cover temporary repairs you make for safety reasons or to minimise further loss or damage, but if this causes further loss or damage to insured property, we will not pay for it; and
4. if only part of an insured item is damaged, we will not cover more than the value of that part.

Total loss

A total loss is when insured property is lost or destroyed. After a total loss, we will pay to replace or reinstate new property on the same site.

The new property must have the same performance or capacity, or both, as the lost or destroyed property. If this is not possible, we will pay for new property with performance and/or capacity closest to the old property.

If there is a total loss:

1. the work of replacing or reinstating the property must start and be carried out quickly and efficiently;
2. we will not pay out an amount that is higher than the market value of the insured property immediately before the loss or destruction took place; and
3. until you have paid to replace or reinstate the insured property, we will not pay out more than we would have paid if the policy did not have these conditions.

Definition of new insured property

New insured property is property bought no more than seven years before an event that causes loss or damage. We will consider upgrades and improvements to the property when deciding the amount of cover and the age of the insured property.

For insured property that does not fit the definition of 'new insured property', we will base the amount of cover on the market value of the insured property immediately before the loss or damage.

We may say the insured property has been destroyed if it costs as much as or more than the property's market value immediately before the damage to repair a partial loss.

We may extend the period in the definition of new insured property. If we do, we will base the extension on a commercial and technical assessment by our representative. The extension will apply from the renewal

date of the policy. We will attach a memorandum showing the new period to the policy.

Definition of market value

Market value is the current purchase price of a second-hand property that has the same performance or capacity, or both, as the lost or damaged property, and is in a similar condition.

If there is no property to compare with the lost or damaged property, we will calculate the market value as follows:

the replacement value of new property that is closest in performance, capacity and condition to the insured property;

less 20% of that value for the first year after the insured property was bought; and

less 10% of that value for each year after that.

The minimum amount we will pay for a claim is 40% per cent of the replacement value.

Average (when the actual costs and the sum insured differ)

If it costs more to repair, replace or reinstate insured property at the time of the loss than the sum it is insured for, we will settle the claim in the same proportion that the actual replacement value is to the insured value.

For example, let's say the insured value is R6 000 and the replacement value is R10 000, then we will only pay 60% of the loss up to a maximum of the actual amount shown on the schedule. If the entire property that has been lost or damaged is more than the sum insured for the property when it is repaired, replaced or reinstated, then you must pay in the difference between the sum insured and the actual costs. This applies to each item that falls under this section.

Excess for loss or damage caused by lightning strikes

If lightning strikes cause loss or damage to the insured property, you will have to pay an excess if the property was not properly protected against electrical supply fluctuations, as follows:

The excess amount is 10% of the amount payable for each item damaged.

The minimum excess amount is R1 000.

The maximum excess amount is R5 000.

Hire purchase and finance agreements

If we know that a claim under this sub-section is for insured property, or any part of it, that is being sold under a suspensive sale or similar agreement, then:

we will pay the owner described in that agreement; and

the owner will not be able to make another claim against us for loss or damage covered by this sub-section of the policy.

Clauses and extensions

The cover described under these clauses and extensions is for the loss of, or damage to, insured property caused by the insured perils described earlier in this section.

Changes to occupancy, buildings, plant or machinery

If there is a change to anything that could affect your cover under this policy, you must let us know as soon as you can. Examples are changes in occupancy and structural repairs or alterations to buildings, plant or machinery.

You may have to pay an extra premium for certain changes.

If we do not know about these changes, this could affect your cover when you claim.

Changes that improve the value of the property

If there are alterations, additions or improvements that increase the value of the insured property, you must let us know about these changes.

You must pay an extra premium to cover these changes.

If we do not know about these changes, this could affect your cover when you claim, as we may apply the condition of average. The changes to the insured property must not cost more than 15% of the property's insured value.

1. Fire-extinguishing charges

We will cover the costs of putting out or fighting a fire if:
the insured property was in danger from the fire; and you were legally responsible for the costs of putting out or fighting the fire. We will treat these costs as damage to the insured property.

2. Locks, keys, access cards and remotes extension

If locks and keys for insured premises disappear or you think an unauthorised person may have a duplicate key, we will cover some of the costs of replacing them, but:
you must pay the first R500 for each event; and we will only pay up to R20 000 for any one event.

3. New and extra premises

The insurance in this section will cover new premises and premises that are not listed in the policy schedule if:
the premises are in South Africa you tell us within a reasonable time of moving into the premises; you pay an extra premium, calculated proportionally from the time of taking occupation until the end of the then current period of insurance; and these premises are not insured elsewhere.

4. Removal of debris

The insurance under this section includes reasonable costs for removing debris after loss of or damage to insured property, as long as the total costs plus our liability for the loss or damage are not more than the sum that the property is insured for.
We will not pay to:
remove debris from anywhere other than the site of the damaged or destroyed property, and the area next to the site; or repair damage caused by pollution or contamination to property that is not insured by this policy.

5. Temporary storage of insured property

The insurance under this section covers loss of, or damage to, insured property while it is temporarily stored in any building in South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe or Malawi.
It does not cover the personal property of your office bearers or employees.

6. Temporary repairs and measures after loss

The insurance under this section covers reasonable costs for temporary repairs and other temporary measures needed after loss of or damage to the insured property, as long as the total costs plus our liability for the loss or damage is not more than the sum that the affected property is insured for.

7. Owners and tenants

If an owner or tenant (other than you) goes against the terms, exclusions or conditions of this section by doing something or failing to do something, this will not affect your cover as long as you tell us about it as soon as you find out. You may have to pay an extra premium if this behaviour creates a bigger risk to us.

8. Replacement value condition

We will calculate the amount payable for a claim for loss of, or damage to, contents based on the value of either:
replacing the contents with similar property that is in the same condition (not better or bigger) as the lost or

damaged contents when they were new; or

repairing the contents to the same condition as (but not better than) the condition they were in when they were new.

If the cost of replacing all contents as if they had been lost, destroyed or damaged beyond repair is more than the sum insured, then you must pay in the difference.

9. Malicious damage extension

In some cases, the policy will cover damage deliberately caused by someone who intended to do harm.

We will not pay a claim for damage to:

- a. moveable property that is stolen;
- b. moveable property that is damaged when trying to remove it or part of it from any premises you own or occupy;
- c. moveable or immovable property, caused by thieves while they break into or out of, or try to break into or out of, any building you own or occupy;
- d. immovable property you own or occupy when you:
- e. remove or try to remove it, or part of it; or
- f. demolish or try to demolish it, or part of it; or
- g. immovable property you own or occupy, or any part of it, because someone tried to steal any part of it.

We also do not cover:

- a. loss or damage related to, or caused by, fire or explosion;
- b. loss or damage of any kind caused by another loss or damage, other than the loss of rent, if you are specifically insured for this;
- c. loss or damage because work was partially or completely stopped or any process or operation was delayed, interrupted or ended;
- d. loss or damage because property was permanently or temporarily taken away or contents were legally taken by any lawful authority; or
- e. loss or damage that has to do with or is caused by any event described in General Exceptions 1 (a) (i), (ii), (iii), (iv), (v), (vi) and (vii) of this policy, or by the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with the event.

If we say that loss or damage is not covered by this section because of 9(ii)(a), 9(ii)(b), 9(ii)(c), 9(ii)(d) and 9(ii)(e) above, it is up to you to prove the opposite is true.

Sub-section A and Sub-section B explain some of the other situations where this cover does not apply.

Property not occupied for 30 days or more

If any building that is insured or contains the insured property will not be occupied for 30 days in a row, you must tell us and get our written agreement to continue insuring the property against malicious damage. If you do not, there will be no insurance for malicious damage to that property.

If there is a valid claim for malicious damage during those 30 days, you will have to pay 20% of the value of the claim before we deduct any first amount payable.

Optional Extensions

Car Jamming

If You can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but that the locking mechanism was blocked by thieves using an electronic device, such evidence will be deemed to satisfy the forcible and violent entry or exit requirement for any loss out of the cab or boot of the vehicle. Cover in this instance will be limited to R25 000 or the amount stated in the schedule whichever is lesser

Section D: Money

Defined events: What you may claim for under this section

Under this section, we provide cover for loss of or damage to:

1. money (see definition below) for any reason that is not specifically excluded, if the loss or damage is from a single or original cause, up to the limits set out in the schedule;
2. any safe, strongroom, cash box, cash register or other container of money, and caused by the theft or attempted theft of money, up to R5 000 for each event;
3. the clothing or personal effects, or both, of a office bearer or employee of the body corporate, resulting from the theft or attempted theft of money, up to R5 000 for each event; and
4. money not contained in a locked safe or strongroom in the residence or office of a office bearer or employee, up to R5 000 for each event,
5. while it is in or at the premises specified in the policy, or while it is being taken to or from the premises to be deposited or withdrawn. The loss or damage must take place in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe or Malawi, unless otherwise specified.

Definitions

In this section, money is defined as:

bank and currency notes; cash; certificates or other instruments of a negotiable nature; cheques; credit card vouchers and documents; current negotiable postage; money orders; postal orders; and revenue and holiday stamps that are your property or that you are responsible for.

Clothing is defined as clothing and personal effects that belong to you, a office bearer or employee, that are not otherwise insured.

Receptacle is defined as any safe, strong room, strong box, till, cash register, cash box or other receptacle for money

Container of money is a safe, strongroom, strong box, till, cash register, cash box or other container for keeping money, or any franking machine.

The maximum amount we will pay for a claim made under this section is R10 000 (unless the schedule says otherwise).

Extensions: What else the cover includes

Skeleton keys

The insurance under this section covers loss of or damage to the insured property (including receptacles) where a skeleton key or similar device (but not a duplicate key) was used to gain entry to containers. You must prove to us that a skeleton key or similar device was used.

Replacement of locks, keys and doors

If keys go missing, we will cover the cost of replacing locks, keys or strongroom doors at the affected premises if the replacement cost is more than R500. We will pay up to R5 000 per claim.

Personal accident - assault (if stated in the schedule to be included)

The term 'defined events' in this section include accidental, violent, external and visible bodily injury to the insured, a office bearer or an employee ('the person') because of theft or attempted theft while that person is doing their work for you.

We will pay the sums set out in the schedule to you on behalf of the person or their estate, if the person suffers any of the described injuries within 24 calendar months from the date of the accident. The amounts paid out for different events are set out in the table below.

Death	The capital sum (R10 000)
Permanent disability	A percentage of the capital sum of R10 000
Loss of one or more limbs by physical separation at or above the wrist or ankle	100%
Permanent and total loss of	
whole eye	100%
sight of eye	100%
sight of eye except perception of light	100%
Permanent and total loss of hearing in	
both ears	100%
one ear	25%
Permanent and total loss of speech	100%
Injuries resulting in permanent total disability from doing their normal work or any other work they know and are trained to do	100%
Loss of four fingers	100%
Loss of thumb:	
both phalanges (bones)	25%
one phalanx (bone)	25%

Loss of index finger:	
three phalanges (bones)	25%
two phalanges	25%
one phalanx (bone)	25%
Loss of middle finger:	
three phalanges (bones)	25%
two phalanges	25%
one phalanx (bone)	25%
Loss of ring finger:	
three phalanges (bones)	25%
two phalanges	25%
one phalanx (bone)	25%
Loss of little finger:	
three phalanges (bones)	25%
two phalanges	25%
one phalanx (bone)	25%
Loss of metacarpals (bones in the hand):	
first or second (additional)	25%
third, fourth or fifth (additional)	25%
Loss of toes:	
all on one foot	25%
great toe, both phalanges	25%
great toe, one phalanx	25%
other toe or toes	25%

Conditions that apply to permanent disablement benefits

If the injury is not specified, we will pay what we believe is in line with the conditions listed above.

The permanent, total loss of use of a part of the body will be seen as the loss of that part.

We will pay no more than 100% of the capital sum for bodily injury resulting from one original cause, and only under the following conditions:

1. The person who becomes disabled is not under 15 or over 70 years of age;
2. General exclusion 2 and general conditions 2 and 9 do not apply to this extension;
3. General exclusion 2 is replaced by the following: 'This extension does not cover death or bodily injury caused by war, invasion, the act of a foreign enemy, hostilities (whether or not war is declared), civil war, mutiny, insurrection, rebellion, revolution, or military or usurped power'; and
4. The person with the disability must go for a medical examination and any treatment that is specified. If they do not do this to our satisfaction, we do not have to pay the claim.
5. If the person is no longer able to carry out their business or work, we will pay the weekly sum specified in the schedule.

6. We will pay reasonable expenses, up to the sum set out in the schedule, for medical surgical, dental, nursing home or hospital treatment that takes place within six months of the defined event. This will include the cost of artificial aids and prostheses; emergency transportation; freeing the person if they are trapped; and bringing the person to a place of safety.

Extensions to personal accident (assault) extension

Bodily injury includes injury caused by starvation, thirst and exposure to the elements because of the person being the victim of theft or attempted theft.

Under this extension, if the person disappears in circumstances we believe have resulted in their injury and ultimately in their death, we will presume the person is dead and make payment to you. If the person is later found to be alive, you must refund the payment to us.

Limit of liability: What the Company cover

We will pay out for loss of or damage to:

cheques and money or postal orders that are crossed and marked not transferable or not negotiable, up to a maximum of R100 000; and all other money according to the sum insured set out in the schedule.

Specific exclusions: What the Company does not cover

We will not pay out for loss of or damage to money:

- a. that happened because of the dishonesty of any office bearer, director or employee, if it was not discovered within 14 working days of the loss or damage;
- b. as a result of shortages due to an error (intentional or unintentional);
- c. if keys were used to get into the safe or strongroom holding the money, unless:
- d. someone gets the keys by using violence or threatening to use violence against any person; or
- e. the key holder or someone colluding with the key holder uses the keys, and you can prove this;
- f. in or from an unlocked safe or strongroom;
- g. outside a safe or strongroom, in premises that are unattended, unless you can prove to us that the person(s) responsible for the money deliberately left it unattended so it could be stolen;
- h. in or from any vehicle you use, unless a office bearer or employee is either in the vehicle or within five metres of it, and they can see it (this exclusion will not apply if the vehicle is in an accident that leaves the office bearer or employee incapacitated); or
- i. that is being sent by post, other than crossed cheques while they are being sent by registered mail.

Specific exclusions (c), (d), (e) and (f) do not apply up to an amount of R1 500. There's no excess amount on losses described in these exclusions either.

Notes (Other conditions)

If money insured under this section is lost or damaged through the dishonesty of a office bearer, director or employee, we will deduct:

2% of the applicable limit from the amount payable under defined events; plus

a further 10% of the net amount payable after deducting the 2%.

We are not liable under this section of the policy for loss or damage that results from any event, where a claim: is payable; or would be payable if there were no first amount payable or co-insured clause under the fidelity section of this policy or any other fidelity insurance.

Special conditions that apply to money limits

We will pay out no more than R1 500 for loss of or damage to money that is not contained in a locked safe or strongroom while it is:

- i. on your premises, outside your working hours;
- ii. at your residence or a office bearer's residence;
- iii. in the custody (protective care) of a collector;
- iv. in the custody of a office bearer or employee while away from your premises on a business trip anywhere in the world.

Payments for loss or damage to money contained in a locked safe or strongroom in a building at your premises, AND outside your working hours, depend on the grading of the safe or strongroom by the SABS, as follows:

- a. No SABS grading: R5 000
- b. SABS category 1 grading: R7 500
- c. SABS category 2 grading: R12 500
- d. SABS category 2 HD grading D3: R25 000
- e. SABS category 2 ADM grading: R50 000
- f. SABS category 2 ADM grading D3: R75 000
- g. SABS category 3 grading: R100 000
- h. SABS category 4 grading: R200 000

If this amount is higher than the amount set out in the schedule, we will pay up to the maximum amount stated in the schedule.

Section E: Fidelity insurance

Fidelity cover is cover for losses caused by the theft, fraud or dishonesty of insured office bearers or employees, as set out below.

Defined events: What the Insured may claim for under this section

Cover under this section is for:

- a. loss of money or other property that belongs to you, or which you are responsible for, that is stolen by insured office bearers as defined in this section; and
- b. direct financial loss as a result of the fraud or dishonesty of insured office bearers and from which they personally gain financially, on condition that:

We do not pay for losses that took place more than 24 months before they were discovered;

the loss is discovered no later than 12 months after the first of the following comes to an end:

this section; or

this section, in respect of any office bearer involved in a loss; or

the employment of the insured office bearer or previous insured office bearers involved in a loss

This cover applies to a managing agent you appoint, on condition that:

you have completed and handed to us an extra questionnaire with information about the managing agent, and we have accepted that managing agent in writing as an insured party;

our liability for all losses claimed for under this section will not be more than the sum insured set out in the schedule, no matter how many insured office bearers are involved, and whether or not they act together or on their own;

renewing this insurance from period to period or extending any period of insurance will not increase our liability for more than the sum insured as it is set out in the schedule. If the period of insurance is less than 12 months, our liability is limited to the sum set out in the schedule during any 12-month period of insurance calculated from the start or renewal date of the policy; and

dishonest personal financial gain' does not include a gain by an insured office bearer in the form of salaries, salary increases, fees, commissions, bonuses, promotions or other payments received from employment.

Definitions

Office bearer means:

any natural person who is a past or present:

- a. office bearer appointed by the body corporate, or
- b. director or prescribed officer appointed by a home owners' association.

Managing agent means:

a person or company, together with its employees that carry out delegated functions, who has been appointed by the body corporate or the home owners' association to control, manage and administer their business or affairs.

An employee is:

- a. any person you employ under a contract of service or apprenticeship, including a managing agent and their employees or appointed contractors or their sub-contractors; or
- b. any person you hire or transfer from any other party into your service, that you have the right to tell at all times how to carry out their work for your business.

If this section is based on names or positions, then an employee is a person described in the schedule by name or by the position they hold in the business, or both.

Exclusions: What the Company will not pay for

The Company will not pay for:

- a. loss resulting from, or contributed to by, the fraud or dishonesty of any office bearer or employee from the time you know they have committed fraud or been dishonest; or
- b. any losses that take place after the losses described under 'defined events'; or
- c. the first amount payable, or excess.

Specific conditions for cover under this section

1. You must set up, maintain and continue to use all the checks and controls, accounting and administrative procedures, and methods of carrying on your business that you have told us about, but you may:
 - a. change the remuneration and conditions of service of a office bearer or employee;
 - b. change the duties and position of any office bearer or employee who is named in the schedule;
 - c. replace a office bearer or employee who is described in the schedule by their position only, with someone else who is a office bearer or employee; and
 - d. make other changes that your auditors approve, in writing, before the changes are made.
2. If a loss is more than the amount we pay out, everything we get back will go to you, except for:
 - a. suretyship, insurance and reinsurance; or
 - b. security or indemnity that we take or produce for the amount of any excess,until you are repaid in full, less the amount it cost us to make those recoveries. Anything left over will be used to pay us and you back until your co-insurance is covered in terms of item (b) of the clause that describes the excess you have to pay.

Clauses and extensions

Backdated cover

A loss that happened up to the 12 months before the start of this insurance will be accepted as a loss that happened during the period of insurance under this policy:

- a. if the loss happened while the body corporate had fidelity insurance with another insurer; and
- b. if the loss was excluded from that insurance because it was not discovered soon enough,

but if you had less indemnity under a previous policy than under this one, we will only cover you for the lower amount under the previous policy.

Accountants

Your auditors or professional accountants must make available and certify any bookkeeping details of other business books or documents we need in order to investigate or verify a claim under this section.

Extended cover for past office bearers and employees

When someone stops being an office bearer or employee, they will still be considered an office bearer or employee for another 30 days under this section of the policy.

Other insurance

To make a claim under this section, you must have no other insurance in place besides:

- a. this policy;
- b. a money policy;
- c. a policy you told us about when you took out or renewed this policy or when you made the claim; or
- d. a fidelity pension fund policy which has a higher limit than the limit of this section.

Condition (c) above does not override General Condition 2 (Other insurance).

Where a managing agent you employ is a member of the Estate Agents Affairs Board and has a Fidelity Fund Certificate or any other insurance covering losses of this nature, cover under this policy does not prevent us from exercising our right of recourse from such managing agents where it is shown that he or his employees were the subject of a loss under this policy. It is further understood that this policy will not be brought into contribution with any other policy held by the managing agent.

Compulsory first amount payable

For a defined event involving either one office bearer or employee, or office bearers and/or employees acting in collusion, we will reduce the amount payable under this section by:

- a. 2 per cent of the sum insured under defined events
- b. A Further amount of 10 per cent of the net amount payable after deduction of the amount specified in (a) above.

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

Notes (other conditions)

- a. If you discover a loss resulting from a defined event in this section, you do not have to report it to the South African Police Services (SAPS) unless we ask you to, and then you agree to report it immediately. This condition overrides General Condition 6(ii).
- b. If a person who signs a proposal form or gives instructions about this policy does not tell us about their own fraud or dishonesty, or that of others they are in collusion with, we will still examine and pay out a valid claim under this section.
- c. General exclusions 1 and 2 do not apply to this section.
- d. If the sum insured is increased at any time, the increased amount will apply only to defined events that happen after the date of the increase.

Section F: All Risks

Defined events: What the Insured may claim for under this section

Loss of or damage to the whole or part of the property described in the schedule while anywhere in the world by any accident or misfortune not otherwise excluded.

Provided that You will be responsible for the Deductible stated in the schedule in respect of each and every event except a claim resulting from fire, lightning or explosion.

Exclusions: What the Company will not cover under this section

We will not pay for:

loss of or damage to insured property caused by:

1. theft from an unattended vehicle in the custody or control of the insured or any principal, partner, director or employee of the insured, unless the vehicle is:
 - a. closed and locked; or
 - b. in a securely locked building, and
 - c. entry to or exit from the locked vehicle or building is forcible and violent;
2. cleaning, repairing, dyeing, bleaching, altering or restoring the property;
3. hidden or visible defects;
4. vermin, insects, damp, mildew or rust;
5. the dishonesty of any office bearer or employee, whether they are acting alone or in collusion with others;
6. customs or other officials or authorities legally taking the property;
7. intentional or unintentional errors in receipts, payments or bookkeeping;
8. disappearance or shortage that you only find out about during or after taking inventory;
9. the amount of any deductible described in the schedule;

10. wear and tear or gradual deterioration (including the gradual action of light, climatic or atmospheric conditions), unless this is caused by an accident or misfortune that is not excluded from this policy; or
11. mechanical, electronic or electrical breakdown, failure, breakage or derangement (malfunction or failure to perform when there is no clear sign of physical damage to the item), unless this is caused by an accident or misfortune that is not excluded from this policy;

loss of or damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind; or loss of or damage to goods consigned under a bill of lading.

Specific Conditions

Average

If the total value of property insured which is not separately and individually specified is, at the time of the happening of any loss or damage to such property, of greater value than the sum insured thereon, You will be considered as being Your own insurer for the difference and will bear a rateable share of the amount of the loss or damage. Each item of the schedule covering such property will be separately subject to this condition.

Replacement Value Condition

The basis upon which the amount payable is to be calculated will be either the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new
or
the repair of the property to a condition substantially the same as, but not better than, its condition when new

provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the property had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the commencement of the loss or damage, then You will be considered as being Your own insurer for the difference and will bear a rateable proportion of the loss accordingly.

Optional Extensions

Increase in Cost of Working Extension (If Stated in the Schedule to be included)

The insurance under this item is limited to expenditure not otherwise recoverable under this section, necessarily and reasonably incurred as a result of loss of or damage to property for which payment is made or liability therefor is admitted under this section, for the purpose of maintaining the normal operation of the business.

Car Jamming (If Stated in the Schedule to be included)

Notwithstanding Exclusion 1 above, if You can demonstrate through video surveillance footage (or any other conclusive proof) that an attempt was made to lock the vehicle using the vehicle remote but that the locking mechanism was blocked by thieves using an electronic device, such evidence will be deemed to satisfy the forcible and violent entry or exit requirement for any loss out of the cab or boot of the vehicle. Cover in this instance will be limited to R25 000 or the amount stated in the schedule whichever is lesser.

Section G: Liability

Liability cover is cover for damages resulting from personal injury or property damage that takes place on or near the property and that you, as the owner of the insured property, are legally liable to pay. These damages must take place on or after the retroactive date set out in the schedule and must result in a claim made against you in writing during the period of insurance.

Defined events: What the Insured may claim for under this section

This section provides cover for damages that you must pay as a result of:

- a. personal injury – the accidental death of, bodily injury to, or illness of any person; or
- b. property damage – accidental loss of or physical damage to physical property
- c. that happens during the period of insurance in, on or about the insured property, because you are the owner of the insured property.

For insurance under this section only, ‘the owner’ includes people who permanently occupy the insured property.

Limit of indemnity: What the Company cover you for

Under this section, the Company will cover you for:

- a. the amount you pay one or more claimants;
- b. your legal costs; and
- c. other costs and expenses we agree to, as a result of your liability for injury or damage resulting from one original cause.

We will not pay out more than the amount set out in the schedule.

Specific exclusions: What we do not cover

The Company will not pay out a claim for:

1. injury to
 - a. any member of the same household as you;
 - b. any office bearer, employee or apprentice if the injury is caused by and during their office trusteeship or employment; or
 - c. any other person resulting from the ownership of mechanically propelled vehicles (except pedal cycles and lawnmowers) that are used by or for you;
2. damage to property
 - a. that
 - i. belongs to you, or
 - ii. is in your custody or control or the custody or control of a office bearer or an employee;
 - b. that is caused by vibration, or removing, weakening or interfering with the support to any land, building or other structure;
3. liability you have under an agreement and that exists only because of the agreement;
4. liability for
 - a. injury, damage or loss of use of property caused by seepage, pollution or contamination; or
 - b. the cost of removing, cancelling out or cleaning seeping, polluting or contaminating substances, unless a sudden, unintended and unforeseen event caused the seepage, pollution or contamination.

This exclusion does not extend the policy to cover any liability that we would not have insured otherwise;
5. fines, penalties or punitive, exemplary or vindictive damages (damages claimed as punishment or to make an example);
6. damages relating to judgements that were given anywhere else than in a court of competent jurisdiction in South Africa, Namibia, Botswana, Lesotho or Swaziland;
7. legal costs claimed from you that are not run up, and cannot be recovered, in South Africa, Namibia, Botswana, Lesotho or Swaziland; or
8. liability resulting from injury or damage
 - a. caused by any professional advice or treatment (other than first-aid treatment) that you give or order;
 - b. caused by
 - i. the refuelling of aircraft;
 - ii. the ownership, possession, maintenance, operation or use of aircraft or an airline; or
 - iii. the ownership, hire or leasing of any airport, airstrip, or helicopter pad.

Other conditions

1. General Exception 1 is replaced by the following:
‘This section does not cover injury, damage or liability caused by war, invasion, an act of a foreign enemy, hostilities (whether war is declared or not), civil war, mutiny, insurrection, rebellion, revolution, or military or usurped power.’
2. The insured shall be responsible for the first amount payable as stated in the schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause shall apply to claims arising from injury and or damage and shall apply to costs and expenses incurred by the insured.

Clauses and extensions

Cross-liability

We provide cover for each person named in the schedule separately, as if each had a separate policy. However, our total liability will not be more than the limit of indemnity set out in the schedule.

Additional insured

We will also cover the following people as if each had a separate policy, but our total liability will not be more than the limit of indemnity set out in the schedule:

1. In the event of your death, we will cover any person who is your personal representative for liability you may have incurred.
2. If you like, we will cover any office bearer or employee against any claim that you have indemnity for under this insurance.

In providing this cover:

- a. We give up all rights of subrogation or action that we may have or get against any of the people described above. This means that if they caused an event we had to pay out for under this policy, we will not sue them to get back that money.
- b. Each person that this indemnity applies to must obey, fulfil and subject themselves to all the terms, exclusions and conditions of this insurance that apply to them.

Other insurance

If any other insurance provides indemnity at the time of any event giving rise to a claim under this section, we will not be liable to make any payment except for any amount above the amount payable by such other policy.

Security firms

Despite what specific exclusion 3 says, if your contract with a security firm says you are legally liable for the conduct of its employees while they are working on your premises, we will treat them as your employees under this section. The following conditions will apply:

- a. The security firm must be used for your business (where you are the owner of the premises specified in the schedule) to protect your property (at the premises stated in the schedule).
- b. Our legal liability will not be more than the limit of liability set out in the schedule for this section.

If the security firm also has indemnity under another insurance policy when an event results in a claim under this section, this section will apply only to the amount which that policy does not cover.

Car parks

Despite **specific exclusion 2 (a) ii**, the Company will cover you against liability arising from the loss of or damage to:

- (a) vehicles and their contents and accessories, and
- (b) the property of tenants, customers, visitors or employees of yours that takes place while they are using your parking facilities.

Wrongful arrest and defamation

We extend the defined events to include damages resulting from:

- (a) wrongful arrest, this includes assault in connection with such wrongful arrest
- (b) defamation

the limit of indemnity shall not exceed R50 000 per event under each of (i) and (ii) and R100 000 in any one (yearly) period of insurance.

Legal defence costs

If you ask us to, we will cover a office bearer or employee of yours for costs they must pay, with our permission, to defend a criminal action brought against them while they work for you, because it is claimed they have gone against one or more of the Acts listed below. That person must obey, fulfil and subject themselves to the relevant terms of this policy to receive this indemnity. But:

- (a) we will not cover the costs of an appeal unless a senior legal adviser that we have approved tells us they believe the appeal will succeed; and
- (b) we will not cover a fine or penalty that a magistrate or judge gives that person, or any loss that is caused by such a fine or penalty.

We will pay a maximum of:
R50 000 for one event; and R100 000 in any one (yearly) period of insurance.

The Acts that apply to indemnity for legal defence costs are:

- (a) Occupational Health and Safety Act 85 of 1993 (as amended);
- (b) Electricity Act 40 of 1958 (as amended);
- (c) Any other Act or ordinance to do with the supply of electricity; and
- (d) Criminal Procedure Act 51 of 1977 (as amended).

Section H: Office bearer's indemnity

This section covers office bearers for claims arising from any actual or alleged wrongful act they do while carrying out the functions of their position during the period of insurance.

Defined events: What the Insured may claim for under this section

This section covers amounts that the body corporate or home owners' association or their office bearers must pay because of the wrongful act of an office bearer that:

- 1. takes place on or after the retroactive date set out in the schedule; and
- 2. results in a claim that is first made against the insured, in writing, during the period of insurance.

Definitions

Wrongful act

For cover under this section, a wrongful act is an actual or alleged:

- 1. breach of trust;
- 2. breach of duty;
- 3. neglect;
- 4. error;
- 5. misstatement or misleading statement;
- 6. omission; or

7. act wrongfully done or attempted while someone is acting in their capacity as an office bearer and carrying out the duties and requirements of the business.

Office bearer

Any person who is a past or present:

1. office bearer appointed by the body corporate, or
2. director and/or prescribed officer appointed by the home owners' association.

Limit of indemnity: What we will pay out for

The maximum amount payable under this section is the amount set out in the schedule for any one event or series of events that takes place in any one (yearly) period of insurance.

Exclusions: What we do not cover

We will not cover:

1. any liability for the payment of VAT;
2. any indemnity you can claim or have claimed under any other insurance;
3. any office bearer who commits a wrongful act and knows it is illegal or fraudulent, although this exception will not apply to an innocent party affected by that act;
4. any excess set out in the schedule;
5. any remuneration or other monies that the body corporate, home owners' association or office bearers are legally liable for;
6. the death, disease or illness of, or bodily injury to, an employee of the body corporate or home owners' association that takes place because of or during their employment;
7. the death, disease or illness of, or bodily injury to, someone other than an employee of the body corporate or home owners' association that is caused by anything other than advice or failure to perform a professional duty;
8. loss of or damage to property that is caused by anything other than advice or failure to perform a professional duty;
9. fines, penalties or punitive, exemplary or vindictive damages (damages claimed as punishment or to make an example);
10. damages relating to judgements first given anywhere other than a court of competent jurisdiction in South Africa, Namibia, Botswana, Lesotho or Swaziland;
11. costs of litigation claimed from you that are not run up and cannot be recovered in South Africa, Namibia, Botswana, Lesotho or Swaziland;
12. any claim because of an event you knew about before taking out cover under this section and did not report to us under General Condition 6;
13. the results of circumstances that you knew could lead to a claim when you took out cover under this section, but did not tell us about, or that you told us about and we wouldn't cover; or
14. any claim (if this Section is cancelled or not renewed) not first made against you, in writing, within the 48-month period (or extended period for minors) set out in Specific condition 2.

Specific conditions

1. We will treat any claim first made against you in writing because of a defined event under General Condition 6 as if it had first been made against you on the same day you report it to us.
2. If this Section is cancelled or not renewed, then:
 - a. we will treat a claim resulting from a reported event first made against you in writing within 48 months after the Section was cancelled or not renewed as if it had been made on the same day you reported the event; if the claimant is a minor, the period of 48 months will be extended to 12 months after the claimant reaches the age of majority; and
 - b. you may report an event under General Condition 6 to us for up to 15 days after the Section has been cancelled or not renewed, as long as the event took place during the period of insurance. We will treat any following claim first made against you in writing because of that event as if it had

first been made on the last day before cancellation or non-renewal, and it will be subject to the 48-month period stated in 2 a. above.

3. We will treat any series of claims that result from the same event and are made by one or more claimants against you during the period of insurance as if all of them had been made against you:
 - a. on the date you reported the event, under General Condition 6; or
 - b. on the date the first claim of the series was made against you, if you were not aware of the event which could have given rise to a claim.

Section I: Employer's liability

Employer's liability cover is cover for damages resulting from personal injury, illness or death to your employees or apprentices while they are working for you.

Defined events: What the Insured may claim for under this section

This section provides cover for damages you must pay for the death of, bodily injury to, or illness of any of your employees or apprentices, that take place:

1. during and because of their employment with you;
2. within the territorial limits of this policy; and
3. on or after the start date of the policy, and for which a claim is first made against you during the period of insurance.

Limit of indemnity: What we cover

Under this section, we will pay for:

1. the amount you are liable to pay to one or more claimants;
2. your legal costs; and
3. other costs and expenses we agree to,

a claim resulting from one original cause. The Company will not pay out more than the amount set out in the schedule.

Definition of territorial limits

Under this section, territorial limits are defined as anywhere within South Africa, Namibia, Botswana, Lesotho, Swaziland, Mozambique, Zimbabwe and Malawi. We will not pay out claims under this section for:

1. any business you carry out at or from premises outside these countries; or
2. any contract work done outside these countries.

Specific exclusions: What we do not cover

This section does not cover:

1. liability you have under an agreement if you would not have had that liability otherwise;
2. liability for disease or impairment which does not result from a sudden and identifiable accident or event;
3. fines, penalties or punitive, exemplary or vindictive damages (damages claimed as punishment or to make an example);
4. damages relating to judgements first given anywhere else than in a court of competent jurisdiction in South Africa, Namibia, Botswana, Lesotho or Swaziland;
5. costs of litigation claimed from you that are not run up and cannot be recovered in South Africa, Namibia, Botswana, Lesotho or Swaziland;
6. any claim:
 - a. from an event you knew about:
 - i. before taking out cover under this section, and
 - ii. did not report to us under General Condition 6 ; or
 - b. (if this section is cancelled or not renewed) not first made against you in writing within the 48-month period (or extended period for minors) set out in Specific condition 2.

Specific conditions

1. We will treat any claim first made in writing against you because of a defined event under general condition 12 ('reported event') as if it had first been made against you on the same day you report it to us.
2. If this Section is cancelled or not renewed, then:
 - a. we will treat a claim resulting from a reported event first made in writing against you within 48 months after the Section was cancelled or not renewed as if it had been made on the same day you reported the event. If the claimant is a minor, the period of 48 months will be extended to 12 months after the claimant reaches the age of majority; and
 - b. you may report an event under General Condition 6 to us for up to 15 days after the Section has been cancelled or not renewed, as long as the event took place during the period of insurance. We will treat any following claim first made in writing against you because of that event as if it had first been made on the last day before cancellation or non-renewal, and it will be subject to the 48-month period set out in 2(a) above.
3. We will treat any series of claims that result from the same event and are made by one or more claimants against you during the period of insurance as if all of them had been made against you:
 - a. on the date that you reported the event, under General condition 6; or
 - b. on the date that the first claim of the series was made against you, if you were not aware of the event which could have given rise to a claim.

Clauses and extensions

Extended reporting option

You can choose to extend the period during which you may report an event under General condition 6 to up to 36 months. This is called the 'extended reporting period' and it applies only if we cancel or do not renew this section of the policy.

If you choose this option, you will have to pay an extra premium. All the other terms of this section would still apply.

The following terms apply if you take up this option:

1. You must tell us, in writing and within 30 days of this section being cancelled or not renewed, that you want to take up the option.
2. Once you take it up, neither you nor us can cancel it.
3. You may not have insurance with the same scope and cover as the insurance in this section.
4. We will only pay out a claim for a defined event which took place after the retroactive date but before this section was cancelled or not renewed.
5. We will treat claims first made against you or events reported by you during the extended reporting period as if they had first been made or reported on the last day before this section was cancelled or not renewed.
6. The total amount we will pay for claims made for events reported during the extended reporting period will not be more than the limit of indemnity that applied on the last day before this section was cancelled or not renewed.
7. We will not pay out any claim made after a reported event that takes place during the extended reporting period and that is first made against you in writing more than 48 months after the last day before this section was cancelled or not renewed. If the claimant is a minor, the period of 48 months will be extended to 12 months after the claimant reaches the age of majority.

Principals

Despite specific exclusion 1 in this section, if you and a principal who is an agent or representative of yours have an agreement and are liable for the same damages, if you ask us to we can provide the same cover for the principal as for you against their liability to an employee for that employee's death, bodily injury or illness because of your or your employee's negligence, but:

1. if there is a claim under this extension, you must try to arrange with the principal that we have the legal right to manage the claim;
2. the principal must fulfil and be subject to any applicable terms, exclusions and conditions of this policy as though they were you; and
3. this extension does not increase our liability.

Other conditions

For this section, General Exception 2 is replaced by the following:

'This section does not cover injury, damage or liability caused by war, invasion, an act of a foreign enemy, hostilities (whether war is declared or not), civil war, mutiny, insurrection, rebellion, revolution, or military or usurped power.'

Section J: Machinery breakdown

This cover is for sudden and unexpected damage to insured machinery.

Defined events: What the Insured may claim for under this section

You may claim for sudden and unexpected damage to the insured machinery described below:

a	Air-conditioning plants; swimming pool machinery; saunas; spa baths; jacuzzis; borehole pumps and motors; automatic gates; garage doors; electrical switchgear; hoists; and transformers	Sum insured R50 000	First amount payable 10% of claim, minimum R1 000
b	Lift room machinery and equipment, and all associated shafting and controlling switchgear; boilers; and escalators	R50 000	First amount payable 10% of claim, minimum R 1 000
c	Other items to be specified and rated as set out in the schedule, that form part of the		

	buildings insured under the building section of this policy.		
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The cover in this section applies to the machinery described above:

1. while it is at work or at rest;
2. while and after it is taken apart to be cleaned, inspected, overhauled or moved; and
3. while it is being put back together again.

Cover in this section does not include:

1. damage to property listed in b, which is not under a regular maintenance agreement;
2. damage resulting from experiments, overloads or tests;
3. any cost of replacing, reinstating or making good:
 - a. wear and tear,
 - b. gradual deterioration,
 - c. expendable parts,
 - d. corrosion,
 - e. erosion,
 - f. the deposit of scale, sludge or other sediment, or any other direct consequence of normal operation or atmospheric or chemical action,
 - g. rust or scratching of painted or polished surfaces,
 - h. temporary repairs and any consequences that result from that, unless we have authorised the temporary repairs,
 - i. repair or replacement of machinery that has been installed illegally,
 - j. the cost of any improvement, alterations, maintenance or overhauls carried out during the repair or replacement,
 - k. cleaning or maintenance services,
 - l. damage that the manufacturer, supplier or lessor is responsible for, or
 - m. the amount of any excess you must pay.

Specific conditions

You must take reasonable precautions to:

1. keep the machinery in good working order;
2. make sure the machinery is not overloaded regularly or on purpose; and
3. obey the laws and regulations that apply to the operation of the machinery.

Basis of loss settlement: How we calculate your cover

Partial loss

1. If we agree to repair a partially damaged insured item of machinery, we will calculate the amount we pay out for this repair based on the cost of restoring it to working order, using normal daily wages and charges for normal freight and other charges, less
 - a. the value of any salvaged material; and
 - b. the cost of alterations, additions, improvements and overhauls carried out at the same time as the repair.
2. We will not pay out more than the limit stated in the schedule.
3. If only part of an insured item has been damaged, we will only pay for:
 - a. the value of the parts allowed for in the sum insured; and
 - b. dismantling, rebuilding and freight expenses.

Total loss

If an insured item is destroyed, we will calculate the amount we pay out based on the following:

- a. the value of buying the same item new immediately before the accident; plus
- b. the cost of removing the damaged machinery; less
- c. a reasonable allowance for use and the value of the remains.

Section K: Heating Appliance maintenance

We will provide cover:

1. for the cost of repairing or replacing a part of or the whole heating appliance, and the cost of repairing any resulting water damage to the insured building; and
2. against loss or damage caused by rust, decay, gradual deterioration, wear and tear, cracking, splitting, faulty materials and workmanship, and hidden defects.

We will not cover you against loss or damage to the heating appliance caused by faulty materials and workmanship or by hidden defects if the loss or damage takes place within the manufacturer's guarantee or warranty period.

Limit of indemnity: What we will pay out for

Under this section, we will pay out:

1. an amount up to the limit stated in the policy schedule when the whole heating appliance needs to be replaced; and
2. up to R2 000 per part for each insurance period when one or more parts of the heating appliance need to be replaced.

The insured may give instructions for repairs to the heating appliance or replacement of the heating appliance to be executed without the prior consent of the company to the extent of but not exceeding R15,000, provided that a detailed estimate is first obtained and immediately forwarded to the company. Where there is resultant damage resulting from the leaking of the heating appliance or the bursting of the heating appliance, the insured

will not give instructions for repairs or replacement of the heating appliance without the approval of the company.

You must pay the excess set out in the schedule.

Definition of a Heating Appliance

Under this section, a Heating Appliance is defined as:

the electrical geyser, solar geyser, gas geyser, hydroboil or heat pump unit itself; pipes and fittings, including drip trays and pans, within one metre of the heating appliance unit;

the pressure control valves, expansion relief valve, sacrificial anode, thermostat, element, wiring from the isolator switch including the isolator switch, the stopcock, installed not more than one-and-a-half metres from the heating appliance unit to control the water flow to the heating appliance unit only; and the draw cock, safety valve and vacuum breakers.

Specific conditions

1. The heating appliance must be installed according to SANS specifications 10254 and 0142 and any later amendments. If you can't prove the Heating Appliance was installed to these specifications, the first amount payable will increase by an additional R1 000 for each claim.
2. If the Heating Appliance manufacturer has an approved installer's document, you must complete this and send it to the manufacturer.
3. The Heating Appliance must be under cover and must not be directly exposed to the weather.
4. Only the manufacturer or its authorised agents may make repairs or replacements if the heating appliance is still under the manufacturer's guarantee.

Specific exclusions

We will not pay for:

1. Consequential loss of any kind
2. The cost to attend to:
 - a. Tripped isolator,
 - b. Tripped earth leakage
 - c. Tripped heating appliance main switches
 - d. Faulty circuit breakers
 - e. Leaking pipes and fittings more than 1 meter from the heating appliance.
 - f. Units/Equipment/Fittings not installed in accordance with the relevant SANS Codes.
 - g. Failure to attend to maintenance or preventative maintenance as prescribed by the manufacturer.
 - h. Failure to heat or the overheating due to weather conditions
3. Any item forming part of the heating appliance that is covered by the manufacturers guarantee.

Clauses and extension

Heating Appliance excess buy-down (If stated in the schedule to be included)

On payment of an additional premium by you, we will waive the excess payable in respect of Heating appliance claims. However, in the event of resultant water damage claims, the applicable policy excess will apply.

Environmental upgrade (if stated in the schedule to be included)

If there has been indemnifiable damage to your heating appliance and you decide to replace it with a more environmentally friendly product that will improve energy efficiency, we will pay out the amount we would have paid to replace the damaged unit plus an extra amount of up to R5 000, as long as this is not more than the amount of the new replacement unit.

Section L: Accommodation extension

Cover under this section applies only if accommodation extensions are included in the schedule.

Maximum cover under this section

1. The sum insured set out in the schedule is the maximum amount we will pay in a year for any claim you make under this section.
2. We will not pay more than the limit of cover set out in the schedule for any claim you make under this section.
3. The limit given is for each unit within a complex.

Defined events: What the Insured may claim for under this section

Under this section, we will provide cover for the following events:

Cost of re-letting

If you lose tenants because of a defined event, we will cover the reasonable cost of finding new tenants so the insured property has the same occupancy it had before the event.

Maximum we will pay: R10 000 per unit per event.

Payment is for re-letting costs incurred. It is limited to 90 days after the building has been reinstated or repaired after a defined event.

Relocation expenses (owners and tenants)

If it is no longer possible to live in the insured property because of damage caused by a peril insured by this policy, we will cover the reasonable costs of relocating owners and tenants to other accommodation.

These costs include:

- a. sorting, packing and transporting personal property;
- b. setting up utility services, less the refunds from the discontinued services at the damaged premises;
- c. finding suitable accommodation;
- d. disconnecting and reconnecting fixtures and equipment; and
- e. storing property until new accommodation is available or the damaged property has been restored.

Maximum we will pay: R10 000 for each unit affected by one event.

We will not pay for:

- a. losses caused by the ending of a lease or other rental agreement;
- b. security deposits or other payments made to landlords in the new accommodation; or
- c. legal fees and closing costs for buying new accommodation.

Building being sold

If you have contracted to sell the insured property and it is damaged by a peril insured under Section B, Sub-section A: Property before you transfer ownership, we will provide cover for:

- a. loss of rent you can't recover under Section B, Sub-section C;
- b. the difference between the indemnity otherwise payable under this policy for rent, and the income you would have had from investing the proceeds of the sale, on these conditions:
 - i. cover is for the time that the transfer of ownership is delayed because of the damage, up to no more than six months, and
 - ii. you must make every reasonable effort to complete the sale as soon as possible; and
- c. other costs, including legal fees, you have to pay to avoid or minimise loss insured by (a) and (b) above, or because the sale is cancelled.

Maximum we will pay: R10 000 for each unit affected by one event.

Protection and preservation of property

We will cover you for reasonable costs you have to pay to temporarily protect or preserve insured property at a described place to avoid or prevent threatening loss or damage that is about to happen at any moment after an insured peril has taken place. This does not mean loss or damage which may or may not take place at some future date.

This extension does not mean you are no longer responsible for taking normal precautions to avoid damage caused by an insured peril before it happens.

Maximum we will pay: R20 000 for each unit affected by one event.

Emergency evacuation

If an authorised government authority orders the evacuation of the insured property because an insured peril threatens immediate danger to or loss of life of its occupants, we will cover your reasonable expenses to evacuate resident members and other lawful occupants.

We will not pay for:

- a. a planned evacuation drill;
- b. evacuating a resident because of their medical condition; or
- c. evacuating the property because of a false alarm.

Maximum we will pay: R5 000 for each unit affected by one event; R100 000 for each policy for one event.

Decontamination and pest and vermin control

If an insured building is suddenly and unexpectedly infected or overrun by vermin or pests, we will cover you for any reasonable costs to decontaminate or fumigate the building.

Maximum we will pay: R50 000 for each policy, for each event.

Land and water clean-up costs

We will cover you for the costs of cleaning up land or water at a defined location if:

- a. the clean-up has to happen because material was released onto the land or into the water because of damage caused by an insured peril during the period of insurance; and
- b. you report the event to us within 30 days after it happened.

Maximum we will pay: R50 000 for each policy for one event.

Alterations and additions

If you make alterations or additions to the insured property, we will cover you for the loss of or damage to permanent works and materials caused by an insured peril.

Permanent works are parts of the alteration or addition that will stay in place for a long time, for example, foundations and structures.

Materials are machinery, plant and other types of equipment that will form part of or be used by the permanent works. This cover includes materials issued free of charge.

Cover is in place from the time the first materials are delivered to the site and ends when the works have been accepted by or for the owner.

The cover ends when the policy ends, whether or not the alterations or additions are complete.

Maximum we will pay: R50 000 for each policy, for each event.

SECTION M: MOTOR

Sub-section A – Loss or damage

Defined events

Loss of or damage to any vehicle described in the schedule and its accessories and spare parts whilst thereon.

In addition, if such

vehicle is disabled by reasons of any loss or damage insured hereby, the company will pay the reasonable cost of protection and removal to the nearest repairers and the insured may give instructions for repairs to be executed without the prior consent of The Company to the extent of but not exceeding R10 000, provided that a detailed estimate is first obtained and immediately forwarded to The Company. The Company will also pay the reasonable cost of delivery to the insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Mozambique, Zimbabwe or Malawi,

provided that

1. the limit of indemnity for each type of vehicle is as stated in the schedule and shall be the maximum amount payable by The Company in respect of such loss or damage, but shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such loss or damage.
2. the Company may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the

reasonable market value of such vehicle and/or its accessories and/or spare parts at the time of such loss or damage.

3. if, to the knowledge of the company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the company in respect of such loss or damage.
4. in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion) under this sub-section, the insured shall be responsible for the first amounts payable stated in the schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this subsection (including any payment in respect of costs, expenses and fees), and of any expenditure by the company in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the company shall include any first amount payable for which the insured is responsible, such amount shall be paid by the insured to the company forthwith.
5. the Company shall not be liable for more than the amount stated in the schedule (after deduction of the first amounts payable) in respect of the theft or attempted theft of radios, tape players and similar equipment or telephones not supplied by the manufacturers of the vehicle when new.

Exceptions to sub-section A

The Company shall not be liable to pay for

1. consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages.
2. damage to tyres by application of brakes or by road punctures, cuts or bursts.
3. damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities.
4. detention, confiscation or requisition by customs or other officials or authorities.

Sub-section B – Liability to third parties

Defined events

Any accident caused by or through or in connection with any vehicle described in the schedule or in connection with the loading and/

or unloading of such vehicle in respect of which the insured and/or any passenger becomes legally liable to pay all sums including

claimant's costs and expenses in respect of

1. death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the insured
2. arising from and in the course of such employment or being a member of the same household as the insured. damage to property other than property belonging to the insured or held in trust by or in the custody or control of the insured or being conveyed by, loaded onto or unloaded from such vehicle.

The Company will also, in terms of and subject to the limitations of and for the purposes of this sub-section,

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this sub-section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this sub-section, provided that the total of the company's liability under both this extension and sub-section B shall not exceed the limit of indemnity stated to apply to sub-section B.
2. indemnify any person who is driving or using such vehicle on the insured's order or with the insured's permission,

provided that

- a. such person shall, as though he were the insured, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply.
 - b. such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer.
 - c. indemnity shall not apply in respect of claims made by any member of the same household as such person.
 - d. such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder.
3. indemnify the insured while personally driving or using any private type motor car not belonging to him and not leased or hired to him under a lease or suspensive sale agreement, provided the insured is an individual and has insured hereunder a vehicle described under definition 2(a) or (b) and provided the company shall not be liable for damage to the vehicle being driven or used.
 4. indemnify the insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided the company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

Exceptions to sub-section B

The Company shall not be liable under this sub-section in respect of

1. so much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This exception shall apply notwithstanding that no insurance under such enactment is in force or has been effected.
2. death of or injury to any person being carried in or upon or entering or getting onto or alighting from a vehicle described in definition 2(b), (c), (d) or (e) at the time of the occurrence of the event from which any claim arises (except any person being carried in or upon or entering or getting onto or alighting from a permanently enclosed passenger carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1,500kg).
3. liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.

Limits of indemnity

Unless otherwise stated, the liability of the company under this sub-section in respect of any one occurrence shall not exceed the limits of indemnity as stated in the schedule.

Defined vehicle but only if it is insured the under sub-section A of this section

1. Any private type motor car or motorised caravan
2. Any other type of insured vehicle other than a bus or taxi

Specified part of vehicle in which injury must occur

Anywhere inside the vehicle
The permanently enclosed passenger-carrying compartment

Definitions

1. Occurrence

The term occurrence shall mean an occurrence or series of occurrences arising from one cause in connection with any one vehicle in respect of which indemnity is provided by this insurance.

2. Vehicle

The term vehicle shall mean

- a. private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 9 persons including the driver).
- b. commercial vehicles and special type vehicles as described in the schedule.
- c. motor cycles (including motor scooters and 3-wheeled vehicles).

- d. buses (including any vehicle used for business purposes and designed to seat more than 9 persons, including the driver).
- e. trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto, and any such vehicle being owned by or hired or leased to the insured, including any such vehicle temporarily operated by the insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the insurer's maximum liability shall not exceed the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the schedule.

Clauses and extensions

1. Contingent liability extension (if stated in the schedule to be included)

The indemnity under sub-section B includes claims made against

- a. the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the insured, while being used by any partner or director or employee of the insured (hereinafter in this extension referred to as such person);
- b. any such person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to him or to the insured or leased or hired by either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any insurer;

provided that

- i. all the words in 2 of the exceptions to sub-section B are deleted.
- ii. the company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above.
- iii. the payment by the insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension.
- iv. if, at the time of the occurrence of any accident giving rise to a claim under this extension, the insured or such person is entitled to indemnity under any other policy in respect of the same occurrence, the company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy.
- v. the terms, exceptions and conditions of the policy shall otherwise apply.

2. Passenger liability extension (if stated in the schedule to be included)

Exception 2 to Sub-section B shall not apply to vehicles described in definition (b), other than special types, or in definitions (c), (d) or (e). The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

3. Unauthorised passenger liability extension (if stated in the schedule to be included)

The indemnity under sub-section B, notwithstanding exception 2 thereto, extends to cover the insured's legal liability for death of or bodily injury to persons while being carried in or upon or entering or getting onto or alighting from any vehicle in contravention of the insured's instructions to their driver not to carry passengers. The limit of indemnity for any one occurrence shall not exceed the amount stated in the schedule.

4. Parking facilities and movement of third party vehicles extension (if stated in the schedule to be included)

This section extends to indemnify the insured in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or borrowed by or hired or leased to the insured) by any person in the employ of the insured or acting on the insured's behalf, provided always that such vehicle was being moved

- a. with the authority of any tenant, customer or visitor of the insured, or
 - b. in connection with the insured's parking arrangements, or
 - c. to facilitate the carrying out of the insured's business,
- and provided further that this extension shall not apply in respect of damage to vehicles which are parked for reward.

For the purpose of this extension, such vehicle (and its contents) shall not be deemed to be held in trust by, or in the custody or control of, the Insured.

5. Windscreen extension

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

- a. no other damage has been caused to the vehicle giving rise to a claim under the policy.
- b. the insured shall be responsible for the first amount payable (applicable to glass) stated in the schedule of each and every loss.

6. Waiver of subrogation rights

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

7. Principals

Notwithstanding Specific exception 2 of this section, the indemnity under sub-section B extends to indemnify, to the extent required by the conditions of any contract of the Building Industries Federation of South Africa, and in connection with any liability arising from the performance of such contract, any principal named in such contract entered into by the insured for the purposes of the business, provided that the liability of the company shall not exceed the limit of indemnity stated in the schedule.

8. Cross liabilities

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

9. Loss of keys extension

The Company will indemnify the insured in respect of the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured vehicle, following upon the disappearance of any key or alarm controller of such vehicle or following upon the insured having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that

- a. the company's liability shall not exceed, in respect of any one event, the amount stated in the schedule.
- b. such amount shall be reduced by the first amount payable stated in the schedule.

The provisions of this section relating to first amount payable and No Claim Rebate shall not apply to this extension.

10. Fire extinguishing charges extension

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

11. Wreckage removal extension

The cover provided under sub-section A of this section is extended to include costs and expenses incurred by the insured in respect of the clearing up and removal of debris and wreckage of any insured vehicle following damage to such vehicle by a defined event, provided that, in addition to the limit of indemnity under sub-section A of this section, the limit of the company's liability under this extension shall not exceed, in respect of any one occurrence, the limit stated in the schedule to apply to this extension.

12. 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 instalment sale or lease agreement, the company will pay to the insured an additional amount equal to the shortfall less

- a. any arrears instalments 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 instalments 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

- i. the amounts payable shall not exceed the maximum indemnity less the first amount payable under sub-section A.
- ii. this endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10 percent from any other instalment.
- iii. if such shortfall is as a result of a re-advance under an instalment sale or refinancing in terms of a lease the insurance by this extension shall be void.

13. Car hire

1. After theft or hijack of a vehicle;
if a comprehensively Insured vehicle (other than a vehicle over 3 500 kg, motorcycle, caravan or trailer) is stolen or hijacked, the Insurers shall pay for the hire of up to a 1600cc manual motor car (with radio, tape and air-conditioning),

provided that;

- a. the vehicle is hired from the hire organisation designated by the Company.
 - b. the Company shall not pay for fuel or lubricants, or any excess amount applicable in terms of the rental contract.
 - c. the period of hire shall start from and include the fourth day after the theft or hijack of the vehicle is reported to the Company.
 - d. cover will end when;
 - i. the Insured has possession of their vehicle; or
 - ii. the Insured has had the hired vehicle for 30 days; or
 - iii. the Company discharges its liability for total loss of the vehicle, whichever happens first.
2. After an accident;
if a comprehensively Insured vehicle (other than a vehicle over 3 500kg, motorcycle, caravan or trailer) is damaged and the damage is insured in terms of the policy, the Insurers shall pay for the hire of up to a 1600cc manual motor car (with radio, tape and air-conditioning),

provided that;

- a. the vehicle is hired from the hire organisation designated by the Company.
- b. the Company will not pay for fuel or lubricants, or any excess amount applicable in terms of the rental contract.

- c. cover does not apply if only window glass is damaged.
- d. the period of hire will start from the date on which the car hire is authorised.
- e. cover will end when;
 - i. the Insured has possession of their vehicle; or
 - ii. the Insured has had the hired vehicle for 30 days; or

Memoranda

1. Premium adjustment clause

If this section is issued on a non-specified vehicle basis, the insured shall submit to the company at the end of each period of insurance a declaration of the total number of vehicles owned, hired or leased at such expiry date. The company shall, upon receipt of this declaration, make a premium adjustment of 50 percent of the annual rate per vehicle applied to the difference in the number of vehicles at inception or renewal and the number declared.

2. War clause

In respect of sub-sections B only, General exception 1 is deleted and replaced by the following: “This section does not cover war, invasion, act of foreign enemy, hostilities (whether war be declared or not) civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.”

3. Description of use clause

Use for social, domestic and pleasure purposes and use for the business or occupation of the insured excluding hiring, carriage of passengers for hire or carriage of fare-paying passengers, racing speed or other contests, rallies, trials, carriage of explosives or carriage of any load or passengers exceeding the capacity for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade. The indemnity to the insured in connection with any vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purpose of its overhaul, upkeep or repair.

Optional limitations

1. Third party only limitation (if stated in the schedule to be applicable)

Sub-sections A is cancelled.

2. Third party, fire and theft only limitation (if stated in the schedule to be applicable)

The liability of the company under sub-section A is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempt thereat.

Specific exceptions

1. The company shall not be liable for any accident, injury, loss, damage or liability
 - a. whilst the vehicle is being used with the general knowledge and consent of the insured otherwise than in accordance with the description of use clause.
 - b. incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, but the insurers will indemnify the insured against loss of or damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit.
 - c. incurred while any vehicle is being driven by
 - i. the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or while not licensed to drive such vehicle;
 - ii. any other person with the general consent of the insured who, to the insured’s knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or who is not licensed to drive such vehicle, but this shall not apply if the insured was

unaware that the driver was unlicensed and the insured can prove to the satisfaction of the company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles;

provided that any driver shall be deemed to be licensed to drive the vehicle if he is complying with the licensing laws relating to any of the territories referred to under Specific exception (b), or if non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal, or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learners.

2. The company shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the insured notwithstanding such contractual agreement.

Specific condition

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

Section N: Personal Accident Insurance

Defined events

Injury which shall mean bodily injury caused by accidental violent external and visible means, and which

- a. directly and independently of all other causes, results in death or disability within 24 calendar months.
- b. includes injury caused by exposure, starvation and thirst.

Specific definitions

1. Insured person means any person named in the personal accident section of the schedule.
2. Temporary total disability means total inability to attend to usual occupation or profession for longer than the period stated in the schedule.

Benefit payable

1. In the event of injury to any insured person, the Company will pay the percentage of compensation as stated in the table of benefits to the Insured person or their estate.
2. The Company will not be liable to pay more than the death or permanent disability benefit (whichever is the higher) plus any temporary total disability and medical expenses benefit.
3. The Company will pay the death benefit if an insured person disappears and after a year there is satisfactory evidence to presume that death, as a result of injury, has occurred. If it is later found that death has not occurred and the insured person is found to be living, any amount paid by the Company must be refunded.
4. In the event of death of an insured person under 15 years of age the Company will not pay more than the reasonable cost of funeral expenses.

Specific exceptions

The Company will not be liable to pay benefit in respect of,

1. injury
 - a. arising after the insured person attains the age of 75, unless agreed to in writing by the Company and stated in the schedule.
 - b. caused by an insured person being insane or under the influence of drink or drugs (unless prescribed by and taken in accordance with the directions of or administered by a member of the medical profession, other than themselves), committing suicide or any act of intentional self-injury, intentional self-exposure to unnecessary danger, venereal disease or in the case of a female, by child-bearing or sequelae thereof, or other causes peculiar to the female sex.
 - c. arising while the insured person is
 - i. travelling by air except as a passenger in any aircraft fully licensed for the carriage of passengers, provided that the insured person is not acting as a member of the aircraft crew nor flying for the purpose of any trade or technical operation connected with the aircraft in which they are travelling.
 - ii. engaging in
 - a) motor cycling (whether as driver or passenger).
 - b) racing of any kind involving the use of any power driven vehicle, vessel, aircraft or pedal cycle.
 - c) steeple chasing, polo, winter sports (involving snow or ice), mountaineering necessitating the use of ropes.
 - d) professional football, professional rugby football, big game hunting, hang-gliding.
 - e) any sport or pastime involving exceptional risk of accident.
2. temporary total disability exceeding the maximum period stated in the schedule.

Table of benefits

Description of injury Percentage of compensation
1 Death	100
2 Permanent disability	
(a) Loss by physical separation at or above the wrist or ankle of one or more limbs	100
(b) The complete and irrecoverable loss of sight in one or both eyes	100
(c) Total paralysis	100
(d) Any other injury causing permanent disability	100
(e) Loss of four fingers	70
(f) Loss of thumb	25
	- one phalanx 10
(g) Loss of index finger	10
	- three phalanxes 8
	- two phalanxes 4
	- one phalanx 6
(h) Loss of middle finger	6
	- three phalanxes 4
	- two phalanxes 2
	- one phalanx 5
(i) Loss of ring finger	5
	- three phalanxes 4
	- two phalanxes 2
	- one phalanx 3
(j) Loss of little finger	3
	- three phalanxes 2
	- two phalanxes 2
	- one phalanx 3
(k) Loss of metacarpals	3
	- first or second (additional) 2
	- third, fourth or fifth (additional) 2
(l) Loss of toes	30
	- all

	- great - both phalanxes	5
	- one phalanx	2
	- other than great - each toe lost	1
(m) Loss of hearing	- both ears	80
	- one ear	20
Permanent total loss of use of a body part shall be treated as loss of such part where the injury is not specified, the Company will adopt a percentage of disability which in its opinion is not inconsistent with the above.		
3 Temporary total disability		100

Memoranda

1. General Exception 1 is deleted and restated as:
This section excludes injury directly or indirectly caused by or related to or in consequence of war, invasion, act of foreign enemy, hostilities (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power.
2. General condition 2 does not apply to this section.
3. General condition 6(b) does not apply to this section.

Special condition

In respect of any claim the insured person will, as often as required by the Company, submit to medical examination at its expense. The Company will in the case of death be entitled to call for a post-mortem.

Clauses and extensions

1. Mobility

When the Company has admitted a claim for permanent disability and as a direct result of that disablement the insured person is permanently dependent on a wheelchair for mobility the Company will pay an additional amount not exceeding R10 000 for

- a. the modifications of the controls to the insured person's motor vehicle and (if necessary) the fitting of wheel-chair loading equipment and/or
- b. alterations to the insured person's residence to facilitate the use of such wheelchair.

2. Funeral cost

The Company will pay in addition to the capital sum a further R5 000 for the funeral cost for accidental death to the insured person.