



SECTIONAL TITLE INSURANCE POLICY

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DEFINITIONS

Body Corporate means - The legally established body corporate as defined in the Sectional Titles Schemes Management Act (No. 8 of 2011) as amended or substituted from time to time and named in the schedule to be the Insured.

Building means - All buildings and the outbuildings thereto, constructed of brick, stone, concrete or metal on metal framework, roofed with slate, tile, concrete, asbestos or metal (referred to as standard construction in the schedule) or any other material specifically stated in the schedule, and anything else permanently built, constructed or installed on your property that you own or are legally responsible for, and tenants' fixtures and fittings (if stated in the schedule to be included), at the situation stated in the schedule and agreed to by us to include in terms of this policy and stated in the schedule.

Specific exclusions in regards to Building

1. dam walls;
2. hedges;
3. swimming pool covers;
4. above-ground portable swimming pools;
5. marinas, wharves, docks, jetties and pontoons used for commercial purposes or to provide fuel distribution facilities;
6. mobile air-conditioning units;
7. gardens, plants, lawns, trees, gravel, pebbles, rocks, stones, soil, sand, bark or mulch except as specifically defined
8. any property belonging to tenants, or for which they are responsible;
9. unfixed/movable floor coverings, curtains and window coverings inside a unit;
10. New buildings still under construction.

Common property means - In relation to a scheme:

1. the land included in the scheme;
2. such parts of the building -or buildings that does not form part of a specific unit;
3. land referred to in section 26 of the act.

Contents means - The unfixed/movable property belonging to the body corporate or the company (or for which they are responsible), including:

1. computers and electronic equipment;
2. furniture, equipment and furnishings of reception areas, foyers, gate houses, offices, clubhouses, laundries and gymnasiums and the like;
3. garden furniture;
4. tools, gardening, cleaning and maintenance equipment;
5. any additional item(s) specified in the schedule. However, the term contents exclude:
6. gardens, plants, lawns, trees, gravel, pebbles, rocks, stones, soil, sand, bark or mulch except as specifically defined;
7. unfixed/movable property owned by unit owners, shareholders, directors, members, proprietors or any other person or party;
8. stock in trade;
9. pets, domestic animals and livestock;
10. cash, credit cards, sim cards or any other negotiable instruments;
11. any vehicles or craft or any of their accessories or spare parts including but not limited to: motor vehicles, motorcycles, mini-motorcycles, motorised scooters, motorised bicycles, golf carts or quad bikes, caravans, trailers, mobile homes or any of their contents, aircraft, watercraft or any part thereof, tractors, backhoes, bobcats, earth dozers or front-end loaders.

Director means - Any past or present, elected, co-opted or alternate directors of the company, but excluding any managing agent or professionally appointed or contracted person, firm or company when acting in a professional capacity or for reward.

DEFINITIONS

Employee means - Any person employed by you in terms of a contract of service or apprenticeship, but excluding employees of unit owners, managing agents and independent contractors.

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

Insured means - The legal entity described in the schedule, registered in terms of; the Companies Act (No. 71 of 2008), or the Share Blocks Control Act (No. 59 of 1980), or the Housing Development Schemes for Retired Persons Act (No. 65 of 1988) all as amended or substituted from time to time, or any similar applicable legislation.

Insured property means - The building, contents and other specified items at the situation shown in the schedule.

Limit of indemnity means - The most you can claim for at any one incident, or in any one annual period of insurance, where so indicated. The amount reflects in the schedule next to the item.

Managing agent means - A person or company and its employees with delegated functions, appointed by the body corporate or the company, to control, manage and administer the business or affairs of the body corporate or the company.

Participation quota (PQ list) means - The schedule reflecting each section, the floor area and the percentage to which it relates to the overall floor area.

Period of insurance means - The period for which you have cover as stated in the schedule and any successive period for which we agree to accept a renewal premium.

Policy means - The policy wording and the most current schedule which may be in electronic or printed format.

Schedule means - The current attachment to this policy which shows the situation, the sections and benefits applicable, sums insured, limits of indemnity, excesses applicable and the premium payable. You will be provided with a schedule when you first take out your insurance and again whenever this policy is amended or renewed.

Section means - A section shown as such on the sectional plan; or that interest in a unit representing an investor's interests and entitlement as a share block investor.

Situation means - The physical address shown in the schedule where the building and contents are located.

Sum insured means - The maximum amount you can claim for on any one incident. The amount is shown against the item in the schedule as the Sum Insured.

Trustees mean - Any past or present elected, co-opted or alternate trustee of the body corporate, but excluding any managing agent or professionally appointed or contracted person, firm or company when acting in a professional capacity or for reward.

Unit means - A section and its undivided share in the common property apportioned to it in accordance with the participation quota schedule; or that interest in a unit representing an investor's interests and entitlement as a share block investor.

We, us, our mean - The Insurer reflecting on the schedule

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You, your and yours mean - The person, company or legal entity shown in the schedule as the Insured. This definition is not applicable to Section D - Trustees / Directors Indemnity. Specific Definition applicable to Director &-/or Trustee

Damage means - Physical loss or damage caused by a single, sudden, unforeseen and unexpected event, which occurs at an identifiable time.

Funds mean - Money or securities received by you, or collected on your behalf, which has been, or was to be used for the financial management of your affairs or tangible property owned by you.

Funds do not include the personal money, securities or tangible property of trustees, directors, employees, tenants or unit owners.

DEFINITIONS

Indemnity value means - The current value of the building, taking into consideration age, wear and tear, depreciation and condition at the time of the damage.

Money means - Cash, bank and currency notes, cheques, postal orders, money orders, current negotiable postage and revenue stamps or other instruments of a negotiable nature, all belonging to the body corporate or the company or for which they are responsible.

Salvage value means - The amount for which an asset can be sold at the end of its useful life. This term refers to the scrap value of damaged property.

Total reconstruction cost means - The costs of reconstruction of the building with new materials; plus, the following additional costs:

1. professional and municipal fees;
2. demolition charges;
3. debris removal;
4. securing the site;
5. compliance with current national or local building or other regulations;
6. VAT.

Vacant means - Either untenanted, unfurnished (whether tenanted or not), empty or no longer in active use.

Also refer to the General Definitions relating to the specific sections.

GENERAL TERMS, CONDITIONS, PROVISIONS AND EXCEPTIONS

1. OPERATIVE CLAUSE

Subject to the terms, Exceptions, Exclusions and Conditions (precedent or otherwise) and in consideration of, and conditional upon, payment of the premium by or on behalf of the Insured named in the Schedule and receipt thereof by or on behalf of the Company, the Company agrees to indemnify the Insured by payment or, at the option of the Company, by replacement, reinstatement or repair in respect of the Defined Events occurring during the Period of Insurance and as otherwise provided up to the Declared Value, Limits of Indemnity and other amounts specified.

The proposal or other information supplied by, or on behalf of the Insured shall form the basis of this contract of insurance.

Where more than one insurance company or insurer participates in this insurance, the expression "Company" shall be amended to "Insurers" wherever it appears in this Policy. In this event the percentage share of each Insurer will be as expressed in the Schedule of this Policy and the liability of each such Insurer individually shall be limited to the percentage share set against its name.

Specific terms, Exceptions, Exclusions, Conditions and Provisions shall override General terms, Exceptions, Exclusions, Conditions and Provisions. If the Insured is not insured in terms of any Sub-section of this Policy, that Sub-section shall not be used in order to interpret the applicable Sub-section of this Policy.

If a Defined Event occurs that results in loss or damage which could, but for this Provision entitle the Insured to an indemnity under more than one section of this Policy for the same loss, the Insured shall only be entitled to an indemnity under one such section and the Insured may elect under which Provision to claim but the Insured will be bound by that election.

Cover will start and end on the dates as shown in the schedule

2. PREVENTION OF LOSS

You must take all reasonable precautions to prevent loss or damage, bodily injury and/or accidents and should effect emergency repairs to the building and or other property insured to prevent any and or further damage. You must advise us immediately of any change in risk which may materially alter any of the facts or circumstances disclosed at commencement of this policy and subsequent renewal(s) hereof.

In particular this applies to the use of or occupation or any part of the building, as well as any other changes that increases the risk of loss or damage or the likelihood of losses from whatsoever nature or cause.

You warrant that all laws, regulations, by-laws and rules that apply to the business or to any other matter for which cover is provided in terms of this policy (irrespective of whether the laws, regulations, by-laws and rules are in force at the date the policy is issued, or are enacted after that date) shall be adhered to at all times. The failure to adhere to any applicable law, regulation, by-law or rule shall entitle us to reject any claim where such failure is material to the claim.

Failure to inform us may prejudice any claim you submit to us following an event and we shall not be liable for any losses or damages suffered.

We reserve the right to amend any rates, terms and conditions of the policy with immediate effect if our exposure is increased by any material changes in the risk.

3. CANCELLATION

This policy or any section thereof may be cancelled by us at any time by giving 30 days' notice in writing (or such other period as may be mutually agreed) or by you giving immediate notice. On cancellation by you, the company shall be entitled to retain the customary short period or minimum premium for the period the policy or section has been in force. On cancellation by us, you 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.

4. TO PAY YOUR PREMIUMS IN TIME

1. Premiums are to be paid in advance

All premiums are to be paid in advance. Premium is payable by monthly debit order against your selected bank account every month. If the debit order date falls on a weekend or a public holiday, we will debit your account on the next working day.

If premium payment is to be made annually you may choose to pay it by cash, or electronic funds transfer (EFT) within 30 days of the anniversary date failing which the policy will be cancelled.

2. Unpaid premiums

- i) **If you cancel or stop payment** on your debit order, your cover will automatically end on the last day of the month that we received premium for,
- ii) **If our debit is returned due to insufficient funds**, we may allow you to make immediate payment of the outstanding premium by electronic funds transfer to our nominated bank account or, with mutual consent, collect the outstanding premium the following month together with the new month's premium. If we still cannot collect this premium, the cover will end on the last day of the month that we received a premium for.

5. CLAIMS PREPARATION COSTS

We will pay the reasonable costs in certifying or verifying any particulars or details that may be required by us to substantiate the amount of any valid claim under this policy. Our written consent will absolve these costs up to the limit specified in the schedule, and prior to our written consent we may require estimates being submitted.

6. FIRE PROTECTION

It is a condition precedent to liability under this policy that you comply with the National Building Regulations and Building Standards Act (No. 103 of 1977) as amended or substituted from time to time, or any similar applicable legislation, and the regulations thereto as well as any other regulations or provisions in any by-law, with regard to the installation, maintenance and servicing of all fire protection and firefighting equipment.

7. FRAUDULENT OR WILFUL ACTS

Any and all rights of indemnity in terms of this policy will be forfeited if:

- a) a claim is in any respect fraudulent or if fraudulent means are used by you, or by others with your knowledge or consent, or on your behalf to obtain any benefit under this policy;
- b) a claim in any way occurs as a result of any wilful acts committed by you or with your participation, support or knowledge;
- c) false information is furnished in respect of any claim;
- d) Wilful exposure to needless perils occurs, except in an attempt to save human life.

8. HOLDING COVER

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

9. BREACH OF CONDITIONS AND OR WARRANTIES

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.

10. SURVEYS AND RISK INSPECTIONS

We reserve our right to survey and inspect or have surveyed and inspected by our approved agent any insured property under this policy. Neither our survey inspection nor failure to survey or inspect, alters the terms and conditions of this policy or your duty of care in any way.

11. INTEREST

No interest will be payable on any amount due by the Company in terms of this Policy unless a Court of Law orders otherwise.

12. LIABILITY UNDER MORE THAN ONE SECTION

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

13. 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.

14. MISREPRESENTATION, MISDESCRIPTION AND NON-DISCLOSURE

An item, section or sub-section of this policy or the entire policy, will be deemed voidable in the event of any misrepresentation, misdescription or non-disclosure of any material fact which could have influenced our decision to insure you or the terms to apply when we agreed to insure you.

15. LEGISLATIVE AND STATUTORY REQUIREMENTS

Your failure to comply with any statutory, national legislation or local by-laws including but not limited to the National Building Regulations and Buildings Standards Act (No. 103 of 1977) as amended from time to time or any similar applicable legislation, may void this insurance policy in its entirety and no benefit will be payable.

You must ensure compliance with all statutory obligations, laws, bylaws, regulations, safety requirements and statutes and regulations thereto imposed for the safety of property or persons.

16. NO REFUND OF PREMIUM (Applicable to Section H – Motor only)

If we have paid the total sum insured on a claim, the benefit of this policy is deemed to have been fulfilled and there will be no refund of any premium in respect of the vehicle involved.

17. OTHER INSURANCE

If any loss, damage or liability which you are claiming for under this policy is covered by any other insurance, we will only pay our proportionate share of the claim.

18. 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.

19. REINSTATEMENT OF SUM INSURED

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.

20. INFLATIONARY ADJUSTMENT

The sums insured for buildings will be adjusted upwards annually to keep pace with inflation as far as reasonably possible. You are, however, still responsible for ensuring that the property is insured for the full replacement value.

21. RIGHTS TO OTHER PERSONS

Unless otherwise provided, nothing in this policy shall give any rights to any person other than you. 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 you shall claim on behalf of such person. The receipt of the insured shall in every case be a full discharge to the company. You may not cede your rights to anyone.

22. 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.

We will not raise as a defence to any valid claim submitted under any section or subsection of this policy that our 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.

23. SCHEDULE SUM INSURED BLANK

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

- i. left blank or has no monetary amount stipulated against it
- ii. reflected as nil or not applicable or not covered or no indemnity extended this will mean the defined event or circumstance shown in the schedule is not insured.

24. VALUE ADDED TAX – V.A.T

It is understood and agreed that the monetary amounts as reflected in the sums Insured and/or limits of indemnity shall be applied to the indemnity or amounts payable in terms of this Policy and to which sums the terms, conditions, provisions and limitations of this Policy shall apply; and value added tax at the current rate as promulgated in legislation relating thereto.

Subject to such sums/limits of indemnity being adequate to embrace the amounts described herein, the Company will, to the extent that the Insured is accountable to the tax authorities for value-added tax in respect of any payment in terms of this Policy, include the amount of such tax in the final settlement of any claim in terms of the Policy, provided that the total amount payable for any defined event and the value-added tax related thereto shall not exceed the sum insured/limit of indemnity set against such defined event.

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

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

25. CLOSE CORPORATIONS

Wherever the word director is used this will automatically include (a / any) member if you are a close corporation.

26. SHARING OF INFORMATION

To help insurance companies to decide fairly about insuring people it is important for them to share personal and other information with each other, other financial institutions and policing authorities. Personal information includes information about your medical history, your credit history and your claims history.

By sharing information, the insurance industry aims to:

- a. Reduce claims based on fraud
- b. Decide more effectively about the premiums that one should pay and the cover the insurance company can give.

By applying for cover with us and at any time during and after the period of cover, you agree that we have the right to share personal information about you with any legitimate sources. Examples of legitimate sources are other insurers, financial institutions and crime bureau. You warrant that you have received consent from every person you represent that we may share their personal information. We undertake to only share your information with legitimate sources for the purposes of this insurance contract. We also have the right to share your personal information at any time if there is a legal requirement to do so.

27. AVERAGE

This Provision shall apply to the following Sections of this Policy:

1. Buildings (Including Common Property) & Contents (Not applicable to accidental damage to sanitary-ware)
2. Glass

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

For example:

The cost to rebuild a unit amounts to R1,000,000. The property is insured for R500,000, which equates to 50% of the total replacement cost of your house. You incur storm damage to the total amount of R50,000. We will only pay R25,000 less your excess because you were underinsured by 50%.

GENERAL EXCLUSIONS – WHAT YOU ARE NOT COVERED FOR

Specific Exclusions shall override General Exclusions.

1. FIRST AMOUNT PAYABLE

You are responsible for the first amount payable (excess) as stated in the schedule in respect of any one claim or any number of claims other than for injury arising from all events of a series consequent upon or attributable to any one source or original cause.

2. ASBESTOS

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

3. CONSEQUENTIAL LOSS

This policy does not cover any consequential or indirect loss or damage of any kind whatsoever, save for the exception of loss of rent as described.

4. CONTRACTUAL LIABILITY

We will not be liable for any claim arising from your contractual liability, unless such liability would have attached to you notwithstanding such contractual agreement.

5. COMPUTER LOSSES INCLUDING ANY FORM OF ELECTRONIC DATA

This policy does not cover any legal liability, loss of, or damage to electronic data by any cause whatsoever.

6. INTENTIONAL DAMAGE

This policy does not cover any deliberate or intentional loss, damage or liability or omission caused or incurred by you or by any person acting with your express or implied consent.

7. NATIONALISATION

This policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss that is directly or indirectly caused by or contributed to or arising from nationalisation, confiscation, commandeering, requisition, wilful destruction, forfeiture, attachment, impounding, seizure or preservation or any similar actions or processes by any court order, customs officials, police, crime prevention units, or lawfully constituted authority or officials.

8. NUCLEAR SUBSTANCES

This policy does not cover loss, damage, cost or expense whatsoever or any consequential loss that is directly or indirectly caused by, or contributed to by, or arising from:

- a) ionising, radiation or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;
 - b) nuclear material, nuclear fission or fusion, nuclear radiation;
 - c) nuclear explosives or any nuclear weapon;
 - d) nuclear waste in whatever form;
- regardless of any other cause or event contributing concurrently or in any other sequence to the loss. For the purposes of this exclusion only, combustion shall include any self-sustaining process of nuclear fission.

9. RIOTS, WARS, POLITICAL ACTS, PUBLIC DISORDER, TERRORISM, OR ANY ATTEMPTED ACTS OF THIS KIND

This policy does not cover loss of or damage to property related to or caused by:

- a) civil commotion, labour disturbances, riot, strike, lock-out or public disorder or any act or activity which is calculated or directed to bring about any of the above;
- b) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), or civil war;

GENERAL EXCLUSIONS – WHAT YOU ARE NOT COVERED FOR

- c) mutiny, military rising or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege, insurrection, rebellion or revolution;
- d) any act (whether on behalf of an organisation, body, person or group of persons) calculated or directed to overthrow or influence any state or government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence;
- e) any act calculated or directed to bring about loss or damage 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;
- f) any attempt to perform any act referred to in exclusions d) and e) above;
- g) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any event referred to in any of exclusions a) to f) above;
- h) any act of terrorism. An act of terrorism means the use or threat of violence for political, religious, personal or ideological reasons. This may or may not include an act that is harmful to human life. It could be committed by any person or group of persons, acting alone, on behalf of or with any organisation or government. It includes any act committed with the intention to influence any government or inspire fear in the public;
- i) any event for which a fund has been established under the War Damage Insurance and Compensation Act (No. 85 of 1976) of the Republic of South Africa or any similar act operative in any of the territories to which this policy applies.

If we allege that a claim is not covered because of General Exclusion 8 above, then you must prove the contrary.

10. CORONAVIRUS AND CORONAVIRUS DISEASE

This policy does not cover any loss directly or indirectly caused by, happening through, in consequence of or resulting from, in connection with or contributed to by;

- 1. Any Coronavirus or Coronavirus disease including but not limited to SARS-CoV2 / COVID-19, Avian Influenza, Severe Acute Respiratory Syndrome Coronavirus (SARS-CoV).
- 2. any mutation or variation of 1. above.
- 3. any infectious epidemic/pandemic (if classified either way by the appropriate national or international body/agency) which leads to:
 - a. the imposition of quarantine or restriction in movement of people or animals by the national or international body or agency; and/or
 - b. any travel advisory or warning being issued by a national or international body or agency.
- 4. arising from any fear or threat (whether actual or perceived) of the above.
- 5. any action taken in controlling, preventing, suppressing or in any way relating to any outbreak of the above.

If the Insurer alleges that by reason of this exclusion loss is not covered by this policy the burden of proving the contrary shall rest on the Insured.

CLAIMS PROCEDURE

Subject to the policy conditions and fulfilment by you thereof, whether in entirety or part thereof, this policy will respond on the happening of an event giving rise to the submission of a claim at your own expense.

1. YOU HAVE TO

- a) Take all reasonable steps to prevent any further damages and or losses.
- b) Notify the police following loss or damage by theft, attempted theft, malicious damage, violent disorder, riots or civil commotion and obtain a case reference number as soon as reasonably possible.
- c) Notify the company but not later than 30 days after the event, whether you intend to claim or not. We may at our discretion reject your claim failing to notify us in-time.
- d) Submit a completed and signed claim form and provide full and accurate details of the incident giving rise to the claim.
- e) Notify us immediately of any incidents or occurrences, and legal action instituted against you including any writs, summons or letter of demands received.
- f) Where practical and possible, and instructed to do so keep the property claimed on for our inspection.
- g) Allow access to our approved agents or service providers to your property for inspections conducted.

2. **at your own expense**, provide us with all records, invoices, and other documents, information, explanations and other evidence, together with statutory declarations, as we may require, for the purpose of investigating or verifying a claim under this policy.

You must not:

- a) make any admission of guilt or fault;
- b) offer to settle, or negotiate to pay damages or injuries without our explicit written consent;
- c) admit liability even if you may be legally liable;
- d) authorise repairs to, or arrange replacement of, any of the insured property without our written consent, except for emergency repairs to prevent further damage or where the safety of people is at risk;
- e) dispose of any damaged items without our written consent.

3. DELAYS / COOPERATION

You must extend to us all reasonable cooperation to enable us to assess, investigate, reinstate, replace, repair and exercise all our rights under this policy. If you do not render such cooperation or if you cause any unreasonable delays that prevent us from assessing, investigating, repairing, reinstating or replacing or exercising any of our rights, we at our discretion, may elect not to indemnify you. Alternatively, we may elect not to pay for any extra costs or damages that result from such delay or lack of cooperation.

4. FIRST AMOUNT PAYABLE (EXCESS)

We will reduce the amount we pay you for any valid claim by the amount of the excess as shown in the schedule. The excess is due before the claim is settled and we may deduct it from the settlement. If a claim, or series of claims, results from one event or cause, the excess you pay will be the highest excess applicable plus any cumulative excess as stated in this policy. This remains un-insurable.

5. NO CLAIM WILL BE PAYABLE

- a) after the expiry of 24 months, or such further time as we may allow in writing, from when the event happened, unless the claim is the subject of pending legal action or is in respect of your legal liability to a third party.
- b) unless you claim payment by serving legal process in writing on us within six months of the rejection of a claim and you pursue such proceedings to finality.

6. OFFER TO SETTLE / REFUSAL OF RECOMMENDATIONS

You must notify us immediately of any offer to settle a proceeding is made to you. We may stop paying your legal costs and expenses if you do not agree to a reasonable settlement. If our legal advisor recommends settlement and you wish to continue with the proceeding, we will only pay the legal costs and expenses incurred up to that date and the settlement amount.

If you choose to continue with any legal proceedings that pertain to a claim made against you, against our recommendations, we will not pay more than the amount that the claim and the legal costs could have been settled for up to that date.

7. OUR RIGHTS AFTER A CLAIM

1. We reserve the right to take over and conduct in your name the defence, any legal action or proceeding and or settlement of any claim.
2. We will take full control of the administration, conduct or settlement of the claim, including any recovery or defence that we may consider necessary.
3. We are entitled to any salvage value on recovered items and damaged items that have been replaced.
4. We have the right to:
 - a) choose the supplier or repairer to be used;
 - b) take possession of any damaged item or insured property. You will not be entitled to abandon any property to us whether taken possession of by us or not.
5. In respect of any section of this policy under which cover is provided for liability to third parties, we may pay the limit of indemnity as shown in the schedule, less any sums already paid or incurred, or any lesser amount for which any claims arising from the event can be settled. We will then relinquish control of such claims and be under no further liability, except for costs and expenses for which we may be responsible before the date of such payment.
6. You shall, at our expense, do, and permit to be done, everything that may be necessary or that we reasonably require in order to enforce any rights to which we will be, or would become, subrogated upon your indemnification, whether we require such things before or after such indemnification.

8. RECOVERED PROPERTY

If we have settled a claim for lost or stolen property and the property is later found or recovered, you must assist us to identify and recover the property. We will pay the reasonable costs that you may incur in order to assist us in identifying and recovering the property.

If you fail to render assistance in terms of this condition when we ask you to do so, you will immediately have to repay all amounts paid by us in respect of the claim.

SECTION A: BUILDINGS AND CONTENTS

THIS SECTION OF THE POLICY PROVIDES COVER IN TERMS OF THE FOLLOWING SUB-SECTIONS

Buildings
Contents
Fidelity Guarantee
Money
Glass

We will pay for the repair or replacement of the insured property resulting from damage which is not excluded specifically, or is not excluded under the General Exclusions occurring during the period of insurance.

We may, at our discretion, choose to:

1. rebuild, restore, replace, or repair the damage; or
2. settle your claim in cash; or
3. any combination of the above.

We will also pay the reasonable and necessary costs incurred for:

1. demolishing the building following an insured peril;
2. remove the rubble and erecting hoardings;
3. temporary repairs and making the building safe;
4. professional fees for estimates, plans, specifications, quantities, tenders and supervision incurred in the reinstatement or replacement of the building, limited to 15% of the sum insured of the damaged building or unit. We will not pay these fees for preparing any claim under this policy;
5. inspection fees of local authorities;
6. the storage of contents for the period necessary for the completion of repairs or reconstruction;
7. the disposal of damaged contents.

The most we will pay is the sum insured as shown in the schedule.

ADDITIONAL EVENTS COVERED

SUBSIDENCE AND LANDSLIP

If damage is caused by subsidence or landslip we will only pay for damage to buildings and outbuildings constructed of brick, stone, concrete or metal on metal framework, roofed with slate, tile, concrete, asbestos or metal (referred to as standard construction in the schedule) or any other material specifically stated in the schedule.

Also refer to the Specific Exclusions relating to subsidence and landslip.

EXTRA COVER FOLLOWING DAMAGE

The following Extra Cover is included, in addition to the sum insured and free of any excess, following a valid claim for damage to the insured property. Where the Extra Cover refers to an amount or percentage that we will pay, this will be shown in the schedule.

1. ARSON, THEFT, VANDALISM OR MALICIOUS DAMAGE REWARD

We will pay a reward for information leading to the conviction of any person for arson, theft, vandalism or malicious damage in connection with damage covered by this section. We will pay the reward to the persons providing such information and the payment will be apportioned in such manner as we may decide.

The most we will pay is the sum insured as shown in the schedule, irrespective of the number of people providing such information.

2. AUTOMATIC SPRINKLER SYSTEM UPGRADE

We will pay the reasonable costs and expenses incurred in complying with any legal requirements to upgrade or replace undamaged portions of any automatic sprinkler system, automatic drencher, and gas or foam installation, following damage to the building.

This cover will only apply if, at the time of the loss, you 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 building are in progress.

3. CAPITAL ADDITIONS

We will increase your sum insured by a maximum of 15%, for additions, alterations and improvements to the insured property during the period of insurance. You undertake to advise us each quarter of such alterations, additions and improvements, and to pay the appropriate additional premium on such capital additions.

4. EMERGENCY ACCOMMODATION

We will pay the reasonable costs of alternative emergency accommodation if a unit owner of a residential unit cannot occupy the unit for its intended purpose following:

1. damage to the unit to the extent that it is not habitable; or
2. damage to other property within a 10km radius of the unit which prevents access to the unit.

The most we will pay per day and in total is shown in the schedule.

We will not pay these costs if:

1. this is not the unit owner's principal place of residence;
2. there is any other insurance that provides cover for alternative accommodation.

5. ESCALATION OF THE SUM INSURED

The sum insured of the building will be increased as follows:

1. from the inception or renewal date of this policy, in proportion to the period the insurance has been in force, by the percentage that is specified against "Current insurance period" in the schedule.
2. on the occurrence of any damage, the sum insured, as at the time of the loss, will be increased by the percentage that is specified against "Further reinstatement period" in the schedule.

6. FIRE EXTINGUISHING CHARGES

We will pay the reasonable costs and expenses incurred by you for the purpose of:

1. extinguishing a fire at the situation, including fire brigade charges;
2. extinguishing a fire that threatens to cause damage to the insured property;
3. replacement of used sprinkler heads, the resetting of fire and smoke alarms and refilling of the fire extinguishing appliances used to extinguish the fire.

7. GENERATOR HIRE

If, in the event of damage to any electrical reticulation installed on the insured property, it becomes necessary to hire a generator (including power connecting cables and reticulation) in order to continue to provide electrical power to the insured property 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 most we will pay is the sum insured as shown in the schedule.

8. HOME MODIFICATIONS FOLLOWING DISABILITY

Should a unit owner or a member of his/her immediate family permanently living with him/her, become permanently disabled as a direct result of damage to a unit, we will pay the reasonable cost for the unit to be modified so that it is better suited to his/her changed needs.

The most we will pay is the sum insured as shown in the schedule.

9. LANDSCAPED GARDENS

We will pay the reasonable cost for the repair of landscaped gardens following damage by fire, firefighting operations, explosion, and impact by vehicles, aircraft or other aerial devices or articles dropped from them.

If it is necessary to damage landscaped gardens during the repair or reinstatement of the insured property, we will pay the reasonable cost to repair that damage as well.

The most we will pay is the sum insured as shown in the schedule.

The most we will pay is the sum insured as shown in the schedule.

10. LOSS OF RENT, REMOVAL COSTS AND ALTERNATIVE ACCOMMODATION

We will pay in respect of 1, 2 or 3 or a combination thereof and 4 (where applicable), subject to the amount payable limitation, if:

1. the building, unit or common property is damaged to the extent that it is not habitable or cannot be used for its intended purpose; or
2. 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.

10.1 Residential buildings and units

We will pay the actual amount of rental lost if:

- a) the building or unit is leased to a tenant in terms of a signed lease agreement; or
- b) in the absence of a signed lease agreement, you can provide positive proof of rental income; or
- c) 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 shown in the schedule.

10.2 Commercial and industrial units

We will pay the actual amount of rental lost if:

- a) the unit is leased to a tenant in terms of a signed lease agreement; or
- b) in the absence of a signed lease agreement, you can provide positive proof of rental income; or
- c) 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.

10.3 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.

10.4 Residential, commercial, industrial, hotel, holiday, bend and breakfast and guest house units

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

AMOUNT PAYABLE LIMITATION – in respect of Loss of Rent, Removal Costs and Alternative Accommodation
The most we will pay under this Extra Cover is limited to the percentage of the sum insured applicable to the building, unit or common property, as shown in the schedule.

In respect of Sectional Title Schemes, where more than one unit is affected, each unit will be separately limited to the percentage of the sum insured applicable to that unit, as shown in the schedule.

The amounts payable will be reduced by any amount payable by any other insurance policy covering the same event.

This Extra Cover will not apply if:

- a) you do not intend to repair or rebuild the damaged insured property;
- b) there is rent outstanding or your tenants have absconded without paying rent.

10.5 Alternative / temporary premises hire

We will pay the reasonable cost to hire a temporary premise for the purpose of holding an annual general meeting or committee meetings, where a designated meeting room within the insured property is unable to be used as a result of damage to such room following a defined event.

We will only pay for meetings held during the period of time that is necessary for repairs to be carried out and the total amount payable for all meetings will be limited to the sum insured as shown in the schedule.

Rent receivable	the actual rent receivable by the Insured at the time of the event in respect of the aforesaid premises or on such part of the same as may then be let.
Rent payable	the actual rent payable by the Insured to the owner or landlord of the said premises
Rental value	the actual rental value of the said premises

11. PETS

If your unit is damaged to the extent that it is not habitable, we will pay the reasonable cost to board pets or security dogs.

We will only pay if:

- 1. temporary accommodation does not allow pets;
- 2. the pet is owned by a unit owner;
- 3. the pet is usually kept at the situation;
- 4. the unit is used as a primary place of residency.

The most we will pay is the sum insured as shown in the schedule.

12. REMOVAL OF TREES

We will pay the reasonable cost to remove and dispose of trees and branches that have fallen onto and caused damage to the insured property.

We will not pay for the removal or disposal of tree stumps or roots.

The most we will pay is the sum insured as shown in the schedule.

13. RELOCATION OF BEES

We will pay the reasonable cost to remove and relocate bees and active hives that pose a safety threat to unit owners, their visitors and or guests.

The most we will pay is the sum insured as shown in the schedule.

14. RESTORATION OF RECORDS

We will pay the reasonable cost of collating information, preparing, replacing, rewriting and restoring your damaged records and electronic data.

The most we will pay is the sum insured as shown in the schedule.

15. SECURITY GUARDS

We will pay the reasonable costs of employing temporary security guards to safeguard the insured property, if:

1. the costs are necessary to prevent further damage;
2. the security of the insured property is compromised due to the damage.

The most we will pay is the sum insured as shown in the schedule.

16. UNDAMAGED MARBLE, GRANITE AND SIMILAR FRAGILE COUNTER TOPS

If it is necessary to remove an undamaged counter-top to effect repairs following damage and the counter top is damaged in the process, we will pay the reasonable cost for it to be replaced.

17. WATER REMOVAL AND DEHUMIDIFYING

We will pay the reasonable costs incurred without our consent, for the removal of water and dehumidification of the building following damage caused by water.

The most we will pay is the sum insured as shown in the schedule.

18. EXTRA COVER

The following Extra Cover is included without the deduction of an excess, unless otherwise noted. Where the Extra Cover refers to an amount that we will pay, this will be shown in the schedule.

19. BUILDING MATERIALS AWAITING INSTALLATION

We will pay for damage to uninstalled building materials on the site intended to be used for repair, alteration, renovation or additions to the building.

We will not pay for:

1. soil, sand, gravel or similar materials;
2. damage to materials in the open (other than materials designed to exist or operate in the open);
3. theft, unless the materials are in a locked and fully enclosed building at the site;
4. materials insured under a Contractors All Risks, or similar policy, or where a contractor is required to take out insurance cover.

The most we will pay is the sum insured as shown in the schedule, less the excess.

20. FIDELITY GUARANTEE

Refer to Fidelity guarantee wording.

21. INTERCOM SYSTEM SIM CARD

We will pay for charges levied to unauthorised telephone numbers following theft of a sim card from any intercom system.

The most we will pay is the sum insured as shown in the schedule.

22. LOSS OF WATER

We will pay the additional charges for loss of water caused by leaking, broken or burst water pipes if the quarterly water usage reading exceeds the average of the last four quarterly readings by 50% or more.

We will pay the actual cost of these additional metered water charges up to the sum insured as shown in the schedule.

We will not pay for loss of water:

1. caused by leaking taps, geysers, toilet systems, storage tanks or swimming pools;
2. caused by leaking inlet or outlet pipes of a swimming or other pool, ponds, or for the cost of refilling or topping up thereof;
3. if the insured property is left vacant for more than 30 consecutive days;
4. as a result of a deliberate act by you or any person acting on your behalf;
5. if you fail to take immediate action to minimise the loss as soon as you become aware of it.

23. MEDICAL, TRAUMA AND FUNERAL COSTS

If you employ a watchman, caretaker, building supervisor or gardener, permanently or otherwise, for the purposes of safeguarding or maintaining the insured property, and such a person is the victim of an unlawful physical assault while in the course and scope of his/her employment, then we will pay you on behalf of such employee or employee's estate for the following:

1. all reasonable medical costs and expenses, including ambulance and hospital fees;
2. reasonable psychological counselling necessitated by such unlawful physical assault;
3. reasonable funeral expenses following the death of the employee directly caused by the unlawful physical assault and occurring within three months of such unlawful assault.

The most we will pay is the sum insured as shown in the schedule.

24. MONEY

We will pay for loss of money in the personal custody of any trustee, director or employee of the body corporate or the company, or any other authorised person acting on your behalf, while in or at the situation, or in transit to or from the situation for the purpose of deposit or withdrawal occurring during the period of insurance.

We will not pay for loss of money:

1. Arising from dishonesty of any trustee, director or employee of the body corporate or the company, or any other authorised person acting on your behalf, if this is not discovered within 14 working days of the occurrence thereof;
2. Arising from shortage due to error or omission or a general shortage of money, not attributable to a particular loss or losses;
3. While it is in an unattended vehicle. This exclusion will not apply if the trustee, director or employee of the body corporate or the company, or
4. While in transit to or from the bank unless in the custody of two authorised persons if the amount is more than R 10,000.

The most we will pay is the sum insured as shown in the schedule, less the excess.

We will only pay up to R 2,500 for loss of money:

1. Resulting from the use of keys to any safe or strong-room unless the keys are obtained by violence or threat of violence to any person;
2. If it is not contained in a locked safe or strong-room while the portion of the premises containing such money is unattended.

25. PUBLIC SUPPLY OR MAINS CONNECTIONS

We will pay the reasonable costs of repairing or replacing damaged water, sewerage, gas, electricity or telephone connections, if you are responsible for these connections, between the insured property and the public supply.

26. REPLACEMENT OF LOCKS, KEYS, TAGS AND REMOTE-CONTROL ACCESS DEVICES

We will pay the reasonable cost of replacement of locks, keys, tags and remote access devices of the building that are stolen by forcible and violent means.

The most we will pay is the sum insured as shown in the schedule.

27. TEMPORARY REMOVAL

We will pay if the insured property is damaged while it is temporarily removed to any other premises within the Republic of South Africa.

The most we will pay is the amount we would have paid had the damage occurred at the situation.

28. TITLE DEEDS

We will pay the reasonable cost of preparing new title deeds to your land, building or any unit at the situation if the title deeds are damaged.

The most we will pay is the sum insured as shown in the schedule.

OPTIONAL EXTRA COVER

ENVIRONMENTAL UPGRADE - (If stated to be included in the schedule)

If a claim for damage to the building has been accepted by us and you elect to repair or replace it with more environmentally friendly technology, products or materials that will improve energy and water efficiency, we will pay the amount we would have paid to repair or replace the damaged building using materials similar to the original, plus an additional amount up to the percentage shown in the schedule.

We will not pay for the extra cost incurred:

- a) in meeting any condition required by the government or local authority of which they had notified you, or with which you had been required to comply, before the damage occurred;
- b) in respect of any damage excluded by this section;
- c) Connected with any undamaged parts of the building.

If underinsurance applies to the claim for damage to the building or common property, the amount payable will be reduced by the same proportion. The most we will pay is the sum insured of the affected building as shown in the schedule, plus the additional amount.

LIMITATIONS TO THE COVER

1. BUILDING ADDITIONS, EXTENSIONS, ALTERATIONS OR RENOVATIONS

If the building is undergoing any addition, extension, alteration or renovation, we will not pay for:

- a) Cracking, collapse, subsidence or damage to the building or common property, arising directly or indirectly from the construction work;
- b) Damage caused by contractors or their vehicles;
- c) Damage caused by, or by the presence or actions of, workmen onsite;
- d) Damage caused by water entering the building through openings in the walls or roof (even if they were temporarily secured or covered), or other unfinished parts of the building;
- e) Damage caused by storm, wind, water, hail or snow, unless the building is completely roofed and all external windows and doors are fitted;
- f) theft, malicious damage or vandalism to unfinished parts of the existing building, or new work;
- g) Damage to glass and sanitary ware in that section of the building being worked on.

2. COMMERCIAL GLASS

Any accidental damage to glass, forming part of a building in commercial or industrial use, is limited to the sum insured as shown in the schedule.

3. FLOOR COVERINGS

If damage occurs to floor coverings we will only pay to repair or reinstate the affected floor coverings in the room where the actual damage has occurred.

4. POWER SURGE

Any damage caused by electrical power surge is limited to the sum insured as shown in the schedule.

We will not pay for:

- a) damage covered by any guarantee, service contract, purchase contract or any purchase agreement;
- b) any item used by the occupant of the building as a tool of trade.

5. TEXTILE AND FABRIC AWNINGS AND COVERINGS

Where damage is caused by wind, storm, hail or snow, we will only contribute 50% towards the replacement cost of damaged textile and fabric awnings and coverings, forming part of the insured property, if such items are 10 or more years old.

6. THEFT WITHOUT FORCIBLE AND VIOLENT ENTRY

Any damage caused by theft where there is no forcible or violent entry into or exit from a building, will be limited to the sum insured as shown in the schedule.

7. VACANT BUILDINGS

If the building becomes vacant during the period of insurance, you shall become a co-insurer with us in respect of damage that is caused by theft or malicious intent; and you shall bear a rateable proportion of any damage equal to 20% of the claim, before the deduction of any excess. If the building comprises of two or more parts or units then each part or unit will be regarded as a separate building for the purpose of this limitation.

If the building (or part of the building) or unit remains vacant for more than 30 consecutive days, there is no cover for damage caused by theft or malicious intent in respect of the vacant building (or vacant part of the building) or the vacant unit. Refer to Specific Exclusion 1q)

SPECIFIC EXCLUSIONS – WHAT YOU ARE NOT COVERED FOR

1. We will not pay for any loss or damage directly or indirectly caused by, or arising from, or aggravated by, or resulting from:
 - a) cracking or collapse of the insured property (other than shelving or storage platforms) unless caused by damage not otherwise excluded;
 - b) inherent vice, latent defect, defective design, defective workmanship, structural defects, defective construction or defective material or lack of maintenance and the cost of maintenance of the insured property, or any other failure to keep the insured property in a good state of repair;
 - c) interference with, or removal of, or weakening of support of the building;
 - d) normal settlement, shrinkage or expansion, creeping, heaving and vibration;
 - e) contraction or expansion of clay and similar soil types due to its moisture or water content;
 - f) excavations on or under land, other than excavations in the course of mining operations;
 - g) domestic pets, primates, birds, vermin, or insects;
 - h) gradual deterioration and gradually operating causes occurring over a period of time, including decay and wear and tear;
 - i) seepage, rust, oxidation, corrosion, deforming, distortion, contamination, pollution, changes in humidity or temperature, concrete or brick cancer, fraying and fading;
 - j) mildew, mould, disease, fungus, wet or dry rot, damp, rising damp, a change in the underground water table, erosion or change in color;
 - k) change in texture or finish, staining, denting, chipping, marring, scratching or cracking, not affecting the operation of the item;
 - l) any process of cleaning, bleaching, dyeing, testing, experimenting, restoring, manufacturing, servicing, altering, refurbishing, repair, renovation, or construction;
 - m) any process involving the application of water;
 - n) welding, grinding, cutting, shaping or the application of tools to the insured property not resulting in ignition;
 - o) the invasion of vegetation, including but not limited to: trees, grass, shrubs and roots;
 - p) the leakage or discharge of chemicals, oils, fluids, gases or fumes (except the sudden and unforeseen escape of oil from oil-fired heating installations forming part of the building or damage caused by the leakage or discharge from fire extinguishing installations/appliances);

SECTION A: BUILDINGS AND CONTENTS

- q) theft or malicious intent if the building is vacant, or if during the period of insurance, the building becomes vacant for more than 30 consecutive days. If a part of the building or a unit is or becomes vacant then that part of the building or unit will be regarded as a separate building for the purpose of this exclusion;
 - r) detention, confiscation, attachment, destruction or requisition by any lawfully constituted authority or other judicial process;
 - s) failure of, the deliberate withholding of, or the lack of supply of: water, steam, gas, electricity, fuel or refrigerant;
 - t) any dishonest act, fraudulent scheme, trick, device or false pretence practiced on you;
 - u) theft or neglect by tenants.
2. We will not cover damage to:
- a) retaining walls caused by storm, wind, water, hail or snow, unless we specifically agree to include it and we have received proof before the happening of an event, that the wall was designed and constructed in accordance with a professional Structural Engineer's design specifications;
 - b) buildings or sections of buildings undergoing demolition.
3. We will not pay for:
- a) the lifting or cracking of tiles and floor coverings, caused by changes in temperature or the incorrect application of tile cement; inadequate tile cement; incorrect expansion gaps or poor building practices;
 - b) consequential loss or damage of any kind whatsoever, except to the extent specifically provided for under Loss of Rent and Loss of Water;
 - c) the cost of repairing leaking pipes, taps, waste pipes, sewers, shower bases, basins, baths, ornamental ponds, jacuzzi's, hot tubs, spa baths and swimming pools; nor will we pay for the cost of repairing the damage caused by accessing the leaks, unless caused by damage not otherwise excluded;
 - d) the unblocking of waste and sewer pipes;
 - e) accidental damage to glass for which your tenant is responsible in terms of a lease agreement;
 - f) the defacement or damage to glass other than fracture through the entire thickness of the glass or any laminate thereof;
 - g) any loss or damage arising from or connected to a cause which existed prior to the commencement of this policy;
 - h) chipped, broken or lifted tiles, pavers or surrounds of swimming pools and spas;
 - i) the repair of damage covered by any guarantee, service contract, purchase contract or any purchase agreement;
 - j) damage, as defined and provided for under Section F – Machinery Breakdown, to machinery and pressure equipment;
 - k) damage, as defined and provided for under Section B – Geyser Maintenance, to geysers.

SUBSIDENCE AND LANDSLIP

If damage is caused by subsidence or landslip:

1. We will not pay for damage to:
- a) utilities, structures or items such as (but not limited to): drains, boreholes, watercourses, boundary walls, garden walls, screen walls, retaining walls, gate posts, gates, fences, roads, parking areas, driveways or paths, paving, pavements, runways, reservoirs, septic or conservancy tanks, canals, pipelines, bridges, docks, piers, tunnels, swimming pools and surrounds, terraces, patios or tennis courts;
 - b) solid floor slabs or any other part of the building due to the movement of such slabs, unless the foundations supporting the external walls of the building are damaged by the same cause at the same time;
 - c) a building constructed or situated on dolomite and limestone land / sites.
2. We will not pay for damage caused by, attributed to, or resulting from:
- a) leaking taps, leaking pipes or leaking swimming pools;
 - b) insufficient compacting of filling, the settlement or movement of made up ground;
 - c) coastal or river erosion;
 - d) acid mine drainage or acid mine spillage;
 - e) workmen engaged in making any structural alterations to any building.

3. We will not pay for:
- a) work necessary to prevent further destruction or damage due to subsidence or landslip, nor will we pay for the cost of underpinning the foundations.

In any action, suit or other proceeding where we allege that, because of the provisions of the Subsidence and landslip exclusion, any damage is not covered by this policy, you will have to prove the contrary.

Also refer to the General Exclusions relating to all sections.

HOW WE SETTLE CLAIMS

1. REINSTATEMENT AND REPLACEMENT BUILDING

We will pay the reasonable cost of rebuilding or repairing the damage to the building to the same condition, but not better or more extensive than when it was new. If we pay to rebuild, you may do so on a different site, provided the amount we pay is not increased.

If the building has any architectural features or structural materials possessing an ornamental, historical or heritage character, or for which the original materials are not available, we will rebuild or restore the building to an equivalent appearance and capacity, using the original design and the nearest equivalent materials.

We shall not be bound to reinstate exactly or completely but only as circumstances permit and in a reasonably sufficient manner and shall not in any case be bound to pay in respect of any one of the items insured more than the applicable sum insured.

We will limit our payment to the indemnity value, not exceeding the sum insured of the building, if:

1. you fail to notify us within six months of the date of the damage, or such further time as we may allow in writing, of your intention to replace or reinstate the building;
2. you are unable or unwilling to replace or reinstate the building on the same or another site.

We will only pay you the salvage value, not exceeding the sum insured, of the damaged building materials in respect of buildings awaiting demolition.

In respect of Sectional Title Schemes, we will only pay for actual damage to the insured property even though it may have been deemed to have been destroyed in terms of Section 17 of the Sectional Titles Schemes Management Act (No.8 of 2011), as amended or substituted from time to time; and the provisions of that section shall not apply with regard to the application or interpretation of this policy.

2. CONTENTS

If there is damage to the contents, we may choose:

1. to replace the item with the nearest equivalent item available;
2. to restore or repair the item to the condition it was in when new;
3. to pay you the reasonable cost of replacement or repair; or
4. any combination of these up to the sum insured as shown in the schedule.

3. EXTRA COST OF REINSTATEMENT

If a claim for damage has been accepted by us, we will include such additional costs of repairing or rebuilding the damage, incurred because of the necessity to comply with current building or other regulations under, or framed in pursuance of, any act of parliament or ordinance of any provincial, municipal or local authority.

We will not pay for the extra cost incurred:

1. if the building was required to comply with these regulations before the damage occurred and did not do so;
2. for which there is an existing requirement which has to be implemented within a given period;
3. in respect of any damage excluded by this section;
4. in respect of or connected with any undamaged parts of the building.

SECTION A: BUILDINGS AND CONTENTS

If underinsurance applies to the claim for damage to the building or common property, the amount payable will be reduced by the same proportion.

The most we will pay is the sum insured of the affected building as shown in the schedule.

4. MORTGAGEE

If the interests of any bank or other financial institution have been noted in the schedule, we will pay that financial institution to the extent of their interest in the insured property; namely the amount which is due to them, or the sum insured as shown in the schedule, whichever is the lesser.

If you act, or fail to act, in a way that may make this policy invalid, the interest of the bank or financial institution will not be affected if the following conditions are met:

1. the bank or financial institution did not know about your act or failure to act;
2. the bank or financial institution tells us about the act or failure to act as soon as they become aware of it; and
3. the bank or financial institution pays the additional premium due.

In respect of Sectional Title Schemes, all and any amounts becoming payable by us as a result of damage to or destruction of the building, shall, unless otherwise resolved, or ordered in terms of Section 17 of the Sectional Titles Schemes Management Act (No. 8 of 2011), as amended or substituted from time to time, be wholly applied to the reinstatement of such damage. If it is resolved or ordered, in terms of that section of the above-mentioned act, that such damage should not be reinstated, we will pay what it would have cost us to repair or replace the damaged building or unit to a noted mortgagee who has an insurable interest in that building or unit. If the amount of the claim exceeds the amount owing on the mortgage, we will pay the balance to you or the unit owner.

The most we will pay is the sum insured of the affected building or unit as shown in the schedule.

5. PAIRS, SETS, SYSTEMS AND COLLECTIONS

We will not pay for a special value that a pair or set might have. If one item in a pair or set is stolen, lost or damaged we will only pay for that item.

6. TENANTS/ OWNERS

This policy will not be invalidated by:

1. any act or neglect on the part of a tenant, to the detriment of the owner;
2. any act or neglect on the part of an owner, to the detriment of another owner; provided that:
3. you did not know and could not reasonably have been expected to know that the tenant or owner, acted or omitted to act, in a way that may invalidate this policy;
4. you tell us as soon as you become aware of such actions or omissions;
5. you pay the appropriate additional premium.

Also refer to the General Conditions and Provisions, and General Claims Procedures relating to all sections.

SECTION B: GEYSERS

SPECIFIC DEFINITIONS APPLICABLE TO THIS SECTION ONLY

Damage means - the physical damage or destruction of the geyser caused by bursting or rupturing; or the non-functioning of the geyser directly or indirectly caused by or attributable to or arising from: leaking, overflowing, rust, decay, gradual deterioration, wear and tear, cracking or splitting.

Geyser means - any system or device (excluding boilers) used solely for the heating of water including all its components and piping within one metre from the system or device.

The maximum cylinder capacity covered in terms of this section is 300 litres.

Any geyser with a cylinder capacity greater than 300 litres must be specified in Section F – Machinery Breakdown.

Solar collectors means - The tubes or flat panels that absorb solar radiation for the heating of water.

WHAT YOU ARE COVERED FOR

1. GEYSER REPAIR AND REPLACEMENT

We will pay for the reasonable cost of repair or replacement of the geyser resulting from damage which is not excluded in this section or excluded under the General Exclusions occurring during the period of insurance.

The most we will pay is the amount as shown in the schedule.

EXTRA COVER

1. ENVIRONMENTAL UPGRADE

If a claim for damage to the geyser has been accepted by us and your damaged geyser is an electrical geyser and you choose to replace it with a more environmentally friendly product such as a solar geyser, heat pump or induction heating geyser or other technology that will improve energy and water efficiency, we will pay the amount we would have paid to replace the damaged geyser plus an additional amount up to the percentage shown in the schedule.

The most we will pay is the sum insured for the geyser as shown in the schedule, plus, the additional amount.

OPTIONAL EXTRA COVER

1. GEYSER EXCESS BUYBACK - (If stated in the schedule to be included)

If you have paid an additional premium for this Extra Cover there will be no excess payable.

An excess, as shown in the schedule, will however be applied for any resultant water damage following a geyser replacement or repair.

SPECIFIC EXCLUSIONS – WHAT YOU ARE NOT COVERED FOR

We will not pay for:

1. damage directly or indirectly caused by, or attributable to, or arising from: faulty or defective design, installation or workmanship; the deliberate failure of, the withholding of, or the lack of supply of water, gas, electricity or fuel;
2. consequential loss of any kind whatsoever;
3. any item forming part of the geyser and attachments that is covered by any guarantee or warranty;
4. the cost to attend to:
 - a) ripple relays;
 - b) faulty circuit breakers;

SECTION B: GEYSERS

- c) tripped isolator switch;
- d) tripped earth leakage;
- e) tripped geyser mains;
- f) leaking pipes more than one metre from the geyser;
- g) solar geysers not heating up or which are too warm, due to weather conditions;
- 5. damage to solar geysers or hybrid solar systems and the resultant damage to the building; where the roof structure was not capable of bearing the additional weight of the installation;
- 6. damage to solar geysers or hybrid solar systems due to the build-up of lime scale;
- 7. damage to solar collectors due to freezing, unless proof can be provided that the system contained an antifreeze substance before the damage occurred;
- 8. damage directly or indirectly caused by the failure to do follow-up maintenance or preventative maintenance as prescribed by the manufacturer, including the replacement of the anti-freeze substance in solar collectors, where required;
- 9. any cost associated with maintenance services required by the manufacturer of the geyser;
- 10. repairs and other costs associated with obtaining an Electrical Compliance Certificate;
- 11. damage to gas water heaters, solar geysers, heat pumps and hybrid solar systems, which are not approved and installed in accordance with the relevant standards of the South African Bureau of Standards.

Also refer to the General Exclusions, General Conditions and Provisions, and General Claims Procedures relating to all sections.

SECTION C: LIABILITY

SPECIFIC DEFINITIONS APPLICABLE TO THIS SECTION ONLY

Costs mean - Damages and the claimant's costs and expenses you are legally liable to pay.

Defence costs mean - Fees, costs, charges and expenses incurred by us, or by you, with our prior written consent, in the investigation, defence, monitoring and settlement of any claim.

Occurrence mean - An event or series of events that result in personal injury or property damage, or both. If an event gives rise to more than one claim, then all such claims will be deemed to have arisen from the same occurrence.

Personal injury mean -

- a) accidental death, bodily injury or illness of any person;
- b) Wrongful eviction, wrongful entry or other invasion of privacy.

Property damage mean - Accidental physical loss of, or accidental physical damage to or destruction of, tangible property.

Retroactive date mean - The date 36 months immediately prior to either the inception date of this policy or 1 October 2013, whichever is the later date.

Third party vehicles mean - Vehicles and their contents and accessories, the property of tenants, customers, visitors or your employees, using the parking facilities provided by you.

Vehicle mean - Any self-propelled land vehicle and any trailer, semi-trailer or caravan whilst attached thereto (including any machinery or apparatus attached thereto). It does not include wheelchairs, garden appliances or maintenance equipment that does not require registration by any legislation or competent authority.

Watercraft mean Any vessel or craft designed for use on or in water.

Also refer to the General Definitions relating to all sections.

WHAT YOU ARE COVERED FOR

We will pay the defence costs incurred and costs following an occurrence. The occurrence that results in a claim must occur during the period of insurance in, on or about the insured property and must arise from your ownership thereof.

The most we will pay for any occurrence is the limit of indemnity shown in the schedule at the time of the occurrence. If the occurrence takes place over more than one period of insurance, or gives rise to more than one claim, we will only pay the amount shown in the schedule once in respect of each occurrence (regardless of the number of claims that arise from the occurrence).

EXTRA COVER

1. CAR PARKS

We will pay the defence costs incurred and costs for an occurrence that results in loss of or damage to third party vehicles while parked in your car park.

2. CONTINGENT MOTOR COVER

We will pay the defence costs incurred and costs for an occurrence arising out of the use of any motor vehicle (which is not the property of or provided by the body corporate or the company) by an employee acting in the course and scope of your business.

Provided that we will not be liable:

1. for any damage to the vehicle or its contents;
2. if cover is provided by any other insurance;
3. for any legal liability caused while the vehicle is being driven outside of the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
4. if cover is provided by any statutory insurance (for example the Compensation for Occupational Injuries and Diseases Act (No. 130 of 1993) and the Road Accident Fund Act (No. 56 of 1996), as amended or substituted from time to time);
5. if the employee using the vehicle is under the influence of intoxicating liquor or drugs or his/her blood or breath alcohol concentration exceeds the legal limit;
6. if the employee does not have a licence to drive the vehicle, irrespective of where the vehicle is being driven.

3. COVER FOR OTHERS

Provided that they observe, fulfil and are subject to the terms, conditions and exclusions of the policy, we will also cover as though these were you, any of your trustees, directors or employees (such persons), but we will only cover these for liability incurred by them while acting within the scope of their duties in such capacity and provided that:

1. you request us to do so;
2. we will not be liable for more than the limit of indemnity.

For the purposes of this Extra Cover, we waive all rights of subrogation which we may have, or acquire against, any such persons.

4. CROSS LIABILITY

If more than one party is insured in terms of this section, we will cover each insured separately and not jointly. Any liability arising will be treated as though separate policies had been issued to each.

The most we will pay in respect of any one occurrence (regardless of the number of claims that arise from it) is the limit of indemnity as shown in the schedule.

5. EMERGENCY MEDICAL EXPENSES

We will pay for all reasonable expenses you incur for such immediate medical treatment that may be necessary at the time of an occurrence that causes injury to any person who may be the subject of a claim covered in terms of this section.

6. LEGAL DEFENCE COSTS

At your request, we will pay the defence costs that do not exceed R 75,000 for any one event and that are limited to R 150,000 in any one (annual) period of insurance of any trustee, director or employee, incurred by and on behalf of such a person, in the defence of any criminal action brought against such a person during the period of insurance, in the course of his service with you, and if this arises from an alleged contravention of the Statutes as listed below, provided that:

1. in the event of an appeal, we will not indemnify such person unless a senior counsel approved by us advises that the appeal should, in his opinion, succeed;
2. we will not indemnify such person in respect of any fine or penalty imposed by any magistrate, judge or other authority, or any other loss as a result of this;
3. such person must, as though he were you, comply with the terms and conditions of this policy.

The Statutes

- a) The Occupational Health and Safety Act (No. 85 of 1993), as amended or substituted from time to time.
- b) The Compensation for Occupational Injuries and Diseases Act (No. 130 of 1993), as amended or substituted from time to time.

- c) The Electricity Act (No. 41 of 1987), as amended or substituted from time to time or any other Act or Ordinance pertaining to the supply of electricity.

All as read in conjunction with the Criminal Procedure Act (No. 51 of 1977), as amended or substituted from time to time.

7. PRIOR ACTS COVERAGE

If, immediately preceding the inception date of this policy, you had a policy providing for the payment of claims brought against you during the period of insurance of that prior policy, the cover provided under the heading "What you are covered for" of this section, is extended to include defence costs incurred and costs in connection with an occurrence which happened in, on or about the insured property and arising from your ownership thereof, on or after the retroactive date and which results in a claim first being made against you in writing during the period of insurance.

In relation to the Prior Acts Coverage, the following is added to the Specific Exclusions of this section:

We will not pay claims arising from, or in respect of any occurrence:

1. where, during the 36 months period after the retroactive date, there was in existence a policy providing for the payment of claims arising out of events that occurred during the policy period or where there was no policy at all;
2. that may result in a claim of which you were aware, or could reasonably have been expected to be aware of, prior to the inception date of this policy;
3. that had been reported to any other insurer and for which cover is provided for by the other insurer;
4. that is covered under an extended reporting period provision of any prior Liability policy;
5. that was not covered under an otherwise valid prior policy, or where the limits of indemnity were insufficient or exhausted, or where the amount of the claim was within that first part of the claim for which you were responsible.

All other terms and conditions of this section remain unchanged and the limit of indemnity is not increased or reinstated by this Extra Cover.

8. PROPERTY OF EMPLOYEES AND VISITORS

Specific exclusion c) shall not apply to property belonging to any employee or to any visitor to the situation.

9. SECURITY FIRMS

If, in terms of a written contract with a security company engaged to protect the insured property, you become legally liable for the acts or omissions of the employees of the security company in the course of protecting the insured property, then we will pay the defence costs incurred and costs, arising from an occurrence.

If, at the time of an occurrence, the security firm is insured for the same event, we will not be liable to make any payment, except for any amount above the amount payable by such other policy.

The limit of indemnity for this extra cover will be limited to R 1,000,000 in any one annual period of insurance.

10. WRONGFUL ARREST AND DEFAMATION

We will pay the defence costs incurred and costs for your liability to any person resulting from the wrongful arrest, defamation or frisking of a person, including assault related to the wrongful arrest or frisking, during the period of insurance.

The most we will pay is R 75,000 for any one event and limited to R 150,000 in any one (annual) period of insurance.

We will not pay claims arising from, or in respect of:

1. personal injury to, or damage to property belonging to, any member of the same household or member of your family;
2. personal injury to any trustee, director or employee where such injury arises from and in the course of such trusteeship, directorship or employment;
3. property damage to property that belongs to you, for which you are responsible or which is in your custody or control or in the custody or control of your employees;

SECTION C: LIABILITY

4. property damage caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure;
5. liability assumed by any agreement or contract you entered into. If you would have been liable if there was no agreement or contract, we will pay the defence costs and costs;
6. any ownership, possession, maintenance, repair, operation or use by you or on your behalf of any facilities at the situation that are used for commercial purposes;
7. any business, profession, trade, activity for reward or occupation carried on by you, other than the managing of the building and its surrounds;
8. anything that you, or anyone acting for you, deliberately caused;
9. the demolition, construction, renovation or addition to the building;
10. penalties, fines or awards of aggravated, exemplary, vindictive or punitive damages made against you;
11. personal injury or property damage directly or indirectly caused by seepage, pollution or contamination, including the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances.
Provided always that this will not apply where the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence happening during the period of insurance;
12. your ownership of, or the use by or on your behalf, of any vehicle, or watercraft;
13. your use, operation, maintenance, ownership, hire, leasing or possession of any aircraft, airline, airport, airstrip or helicopter pad or the refuelling of aircraft;
14. any judgment, award or settlement made in the first instance outside the Republic of South Africa or any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part.

In respect of this section only, General Exclusion 8 is deleted and replaced by the following:

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

Also refer to the General Exclusions relating to all sections.

SPECIFIC CONDITIONS

1. 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.

2. OUR RIGHT TO PAY AT ANY TIME

In respect of any one event, we may pay the limit of indemnity (less any sums already paid or incurred) or any lesser amount for which any claims arising from the event can be settled. We will then relinquish control of such claims and be under no further obligation, except for defence costs incurred for which we may be responsible before the date of such payment provided that our liability does not exceed the limit of indemnity.

Also refer to the General Conditions and Provisions, and General Claims Procedures relating to all sections.

SECTION D: TRUSTEES / DIRECTORS INDEMNITY

SPECIFIC DEFINITIONS APPLICABLE TO THIS SECTION ONLY

Claim means –

- a) any written or verbal demand or allegation of a wrongful act; or
- b) a civil proceeding commenced by the service of a complaint, summons, statement of claim, similar pleading or any valid legal proceeding alleging any wrongful act; served on you.

Costs mean - Damages and the claimant's cost and expenses you are legally liable to pay.

Defence costs means Fees, costs, charges and expenses incurred by us, or by you, with our prior written consent, in the investigation, defence, monitoring and settlement of any claim.

Loss means - The defence costs and costs which you are liable to pay in respect of a claim made against you.

Officer means - Any person who is employed by the body corporate or company in an executive, managerial or supervisory position, but excluding any managing agent or professionally appointed or contracted person, firm or company.

Wrongful act mean - any actual or alleged omission or incorrect act done by a trustee, director or officer in the discharge of his or her duties and whilst acting in his or her capacity as trustee, director or officer in the management of the insured property; other than any mala fide (bad faith) or grossly negligent act or omission.

You, your mean - For the purposes of this section only means the body corporate or company named in the schedule and the trustees, directors or officers of the named entity.

WHAT YOU ARE COVERED FOR

We will pay any loss arising out of claims brought against you by reason of a wrongful act committed on or after the retroactive date of this policy.

We will only pay the loss you sustain arising out of claims first made in writing against them during the period of insurance and reported to us during the period of insurance or within 30 days thereafter (unless alternative insurance covering the same claim has been affected) and which is not excluded in this section or excluded under the General Exclusions.

The most we will pay is the limit of indemnity shown in the schedule for any one event and in any one annual period of insurance. Should the limit of indemnity be altered during the period of insurance the limit of indemnity which applied when you first became aware of the event will apply to all claims made or deemed to have been made or arising out of such event.

If any wrongful act results in more than one claim, all such claims will jointly constitute one loss and be deemed to have originated in the earliest policy year in which the first claim was reported to us.

The renewal of the policy from year to year will not have the effect of increasing the limit of indemnity.

SPECIFIC EXCLUSIONS – WHAT YOU ARE NOT COVERED FOR

We will not pay for any loss in respect of:

1. liability for the payment of VAT, duty, levy or another impost
2. remuneration for which the body corporate or company is legally liable;
3. indemnity claimed or claimable in terms of any other insurance or otherwise more specifically covered or excluded by any section of this policy, or any failure to effect or maintain adequate insurance;
4. an incident that may result in a claim of which you were aware, or could reasonably have been expected to be aware of, prior to the inception date of this policy;
5. a circumstance or event where you are entitled to claim under another policy that ended before this policy started;
6. claims for death, bodily injury, sickness, disease or damage to property including loss of use or consequential loss;
7. or arising out of any form of injuria and injurious falsehoods;
8. a trustee, director or officer gaining or having gained any personal profit or advantage to which they were not legally entitled or for which they may be held accountable to the body corporate or the company;
a trustee, director or officer committing any wrongful act knowing such action to be criminal or illegal, fraudulent or dishonest or of malicious intent. This exclusion shall not relieve us of the liability to provide cover for any defence costs reasonably incurred in successfully defending proceedings in respect of any allegation of such wrongful act;
9. taxes, fines, penalties, punitive or exemplary, vindictive or aggravated damages or any additional damages resulting from the multiplication of compensatory damages;
10. monies or gratuity given to any trustee, director or officer without authorisation, where such authorisation is necessary pursuant to the Management Rules of the body corporate or prescribed law in respect of the company;
11. an investment or trading loss or personal debt of yours;
12. an obligation under a warranty or guarantee;
13. a conflict of interest of any trustee, director or officer;
14. an intentional exercise of the power you have other than for the purpose for which such powers were conferred on you by the management rules of the body corporate or prescribed law in respect of the company;
15. the rendering of professional services or the giving of professional advice; or a breach or alleged breach of any contract for the provision of professional services or professional advice;
16. liability assumed by you in terms of any agreement or contracts;
17. seepage, pollution or contamination;
18. a loss arising in any way out of legal proceedings initiated by you;
19. any judgment, award or settlement made in the first instance outside the Republic of South Africa or any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part.

Also refer to the General Exclusions relating to all sections.

SPECIFIC CONDITIONS**1. ADVANCEMENT OF DEFENCE COSTS**

Where indemnity has not been confirmed by us in writing we may, at our discretion:

- a) decide not to manage the settlement of the claim and pay the costs of defending the claim as they are incurred;
or
- b) decide to manage the settlement of the claim and pay the costs of defending the claim as they are incurred.

If we deny or withdraw indemnity, or if a claim is withdrawn, we will stop paying the costs of defending the claim. If we do this, we reserve the right to recover from the body corporate or the company any payments previously made by us to defend the claim to the extent that they were not rightfully entitled to the previous payments.

2. CONDUCT OF YOUR DEFENCE

When a claim is made under this section, we have the right but not the obligation to conduct the defence, to instruct lawyers to provide advice as to your liability and to represent you.

3. SETTLEMENT

If you refuse to consent to any settlement recommended by us and choose to continue with any legal proceedings in connection therewith, our liability for the loss will not exceed the amount for which the claim could have been settled including the costs and expenses incurred up to the date of such refusal, provided that the limit of indemnity is not exceeded.

4. WHAT YOU MUST DO

You must advise us in writing as soon as you become aware of:

1. any claim made against you;
2. the receipt of any notice from any person who intends to make a claim against you;
3. Any circumstance or event which may result in a claim being made against you.

5. WHAT YOU MUST NOT DO

You must not:

1. make any promise to pay or offer payment, or admit responsibility for any claim;
2. Incur any costs and expenses for a claim without our prior written consent.

Also refer to the General Conditions and Provisions, and General Claims Procedures relating to all sections.

SECTION E: EMPLOYERS LIABILITY

SPECIFIC DEFINITIONS APPLICABLE TO THIS SECTION ONLY

Costs mean - Damages and the claimant's costs and expenses you are legally liable to pay.

Defence costs mean - Fees, costs, charges and expenses incurred by us, or by you with our prior written consent, in the investigation, defence, monitoring and settlement of any claim.

Occurrence means - Any event or series of events which result in accidental death, bodily injury or illness, neither expected nor intended by you.

Also refer to the General Definitions relating to all sections.

WHAT YOU ARE COVERED FOR

We will pay the defence costs incurred and costs to any employee following an occurrence on or after the retroactive date of the policy, which results in a claim first made against you in writing during the period of insurance and which is not excluded in this section or excluded under the General Exclusions.

The occurrence must happen:

- a) in the course of and in connection with the employee's employment with you;
- b) within the Republic of South Africa.

The most we will pay is the limit of indemnity as shown in the schedule for any one event, and in total for any annual period of insurance.

EXTRA COVER

1. COVER FOR OTHERS

If you and a principal are liable for the same defence costs and costs, and where any contract or agreement between a principal and you so require, we will, notwithstanding Specific exclusion a) below, indemnify the principal in like manner to you; but this will be limited to the liability of the principal to an employee for an occurrence resulting from your or your employee's negligence, provided that:

- a) if there is a claim in terms of this Extra Cover, you shall endeavour to arrange with the principal for the conduct and control of all claims to be vested in us;
- b) the principal shall keep to the terms, conditions, limitations and exclusions of this policy;
- c) Our liability is not increased.

2. OTHER INSURANCE

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

SPECIFIC EXCLUSIONS - WHAT YOU ARE NOT COVERED FOR

We will not pay for:

- 1. liability assumed by any agreement or any contract you entered into. If you would have been liable if there was no agreement or contract, we will pay the defence costs and costs;
- 2. any disease or impairment due to a gradually operating cause which does not arise from a sudden and identifiable accident or event;

We will also not pay for:

1. penalties, fines or awards of aggravated, exemplary, vindictive or punitive damages made against you;
2. any judgment, award or settlement made in the first instance outside the Republic of South Africa or any order made anywhere in the world to enforce such judgment, award or settlement either in whole or in part;
3. benefits given by any legislation;
4. an occurrence that may result in a claim of which you were aware, or could reasonably have been expected to be aware of, prior to the inception date of this policy;
5. an occurrence for which you are entitled to claim under another policy that ended before this policy started;
6. any claim (in the event of cancellation or non-renewal of this section) not first made in writing against you within the 36-month period (or extended period in respect of minors) as specified in Specific Condition 2 below;
7. any claim that was not covered under an otherwise valid prior policy, or where the limits of indemnity was insufficient or exhausted, or where the amount of the claim was within that first part of the claim for which you were responsible.

In respect of this section only, General Exclusion 8 is deleted and replaced by the following:

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

Also refer to the General Exclusions relating to all sections.

SPECIFIC CONDITIONS

1. Any claim first made in writing against you as a result of an occurrence reported in terms of General Claims Procedure 1 (referred to as 'reported event') will be treated as if it had first been made against you on the same day that you reported the event to us.
2. If this policy is cancelled or not renewed:
 - a) any claim resulting from a reported event, first made in writing against you during the 36 months immediately after cancellation or non-renewal, will be treated as having been made against you on the same day that you reported the event. If the claimant is a minor, the period of 36 months will be extended until the expiry of 12 months after the claimant has attained majority;
 - b) you may report an event in terms of General Claims Procedure 1 to us for up to 30 days after cancellation or non-renewal;

provided that:

 - i) such event occurred during the period of insurance;
 - ii) any subsequent claim first made in writing against you as a result of such event, will be treated as if it had first been made on the last day before cancellation or non-renewal, and is subject to the 36-month period specified in 2 (a) above.
3. Any series of claims from one event or series of events with one original cause or source, and that were made against you by one, or more than one, claimant during any period of insurance, will be treated as if they had all first been made against you:
 - a) on the date that you reported the event in terms of General Claims Procedure 1; or
 - b) if you were not aware of any event which could have given rise to a claim, on the date that the first claim of the series was first made in writing against you.

Also refer to the General Conditions and Provisions, and General Claims Procedures relating to all sections.

SECTION F: MACHINERY BREAKDOWN

SPECIFIC DEFINITIONS APPLICABLE TO THIS SECTION ONLY

Breakdown means - The sudden and unforeseen physical destruction of or physical damage to machinery that requires repair or replacement to enable normal working to continue.

Machinery means - The mechanical and electrical machinery of swimming pools, saunas, spa baths, jacuzzi's, automatic gates, garage doors, escalators and lifts, borehole pumps, sewerage pumps, air-conditioning plant, hoists, transformers, electrical switchgear, standby generators, and any pressure equipment if specified in the schedule, any of which are installed at the premises, and any other item specified in the schedule, none of which are used by the occupant of the building as a tool of trade.

Pressure equipment means - Those parts of the permanent structure of, including but not limited to, a boiler, pressure vessel, economiser and super heater, and attached pipe systems which are subject to steam, gas or fluid pressure or vacuum, all belonging to you.

Excluding geysers with a cylinder capacity less than 300 litres.

Also refer to the General Definitions

We will cover the machinery while it is:

- a) at work or at rest;
- b) being dismantled for the purpose of cleaning, inspection and overhaul, or removal to another position in the course of these operations themselves, or subsequent reassembly;
at the situation, against damage which is not excluded in this section or excluded under the General Exclusions caused by breakdown that occurs during the period of insurance.

The most we will pay is the sum insured as shown in the schedule.

SPECIFIC EXCLUSIONS - WHAT YOU ARE NOT COVERED FOR

We will not pay for:

1. consequential financial loss, loss of use, or other indirect loss;
2. rusting or scratching of painted or polished surfaces;
3. repair or replacement of any part caused by or resulting from:
 - a) wear and tear from ordinary use or working, or gradual deterioration;
 - b) rust, corrosion, cavitation, erosion, oxidation, deposits of scale, sludge or other sediment;
 - c) any direct consequences of progressive or continuous influences of atmospheric or chemical action, other than accidental contact with acids or other corrosive substances that cause damage which manifests itself within 24 hours of such accidental contact;
but breakdown of other parts as a consequence of any of the foregoing is not hereby excluded;
4. damage to machinery by any cause otherwise covered in this policy;
5. damage resulting from experiments, overload or similar tests requiring the imposition of abnormal conditions or from the execution of repairs;
6. temporary repairs and any consequences arising therefrom unless we have authorised the temporary repairs;
7. damage to machinery when the building is undergoing any extensions, alterations or renovations, and such damage results directly or indirectly from the building work;
8. damage that occurs during the currency of a manufacturer's guarantee, unless a claim is first made against the guarantor;
9. the replacement or repair of any machinery illegally installed or altered;
10. any costs associated with cleaning or maintenance services.

Also refer to the General Exclusions relating to all sections.

HOW WE SETTLE CLAIMS

In the event of a claim for damage to machinery, we may at our discretion choose to:

- a) pay to repair the damage;
- b) replace what is lost or damaged if this is more cost-effective than repairing it; or
- c) settle your claim in cash.

PARTIAL LOSS

The basis of settlement will be the cost of restoring the machinery to working order, including the cost of transport, labour and the onsite cost of parts, assembly and custom dues, less the value of any re-usable parts.

In the case of repairable damage, we will pay the cost of repairs to restore the damaged item to its condition immediately before the damage.

We will also pay the cost of liquids, refrigerant gas or insulating oil, in order to complete the repairs.

We will not pay more than the estimated cost of similar parts for similar plant currently available, if replacement parts are unavailable or obsolete. If similar parts are unobtainable, we will not pay more than the manufacturer or suppliers' latest list price.

TOTAL LOSS

The basis of settlement will be the new replacement value immediately before the damage occurred, plus the costs of removing the damaged machinery.

An insured item will be regarded as totally destroyed if the cost of repairs equals or exceeds the new replacement value immediately before the damage, less a reasonable amount for use.

We will not pay for the costs of any alterations, improvements, maintenance or overhauls carried out during the repair or replacement.

Also refer to the General Claims Procedures relating to all sections.

SPECIFIC CONDITIONS

1. You must take all reasonable precautions to ensure that the machinery is maintained in good working order and neither habitually nor intentionally overloaded and that Government and other regulations relating to the operation of the machinery are observed. All maintenance must be carried out in accordance with the manufacturer's specifications and requirements.
2. The sum insured for each additional item of machinery separately specified in the schedule must be equal to the installed new replacement value at all times. If at the time of the damage the sum insured is lower than the installed new replacement value, then you will be considered to be your own insurer for the difference and you will bear a rateable share of the loss accordingly. Every item of machinery will be separately subject to this condition.

SECTION G: PERSONAL ACCIDENT

SPECIFIC DEFINITIONS APPLICABLE TO THIS SECTION ONLY

Assault means - Death or total and permanent disablement that results solely and directly from theft, or any attempt thereof, of money in the custody or control of any trustee, director or employee.

Death means - Cessation of all vital functions.

Injury means - Death or total and permanent disablement that results solely and directly from an accident and is caused by violent external and visible means, independent of any other cause or causes.

Money means - Cash, bank and currency notes, cheques, postal orders, money orders, current negotiable postage and revenue stamps or other instruments of a negotiable nature, all the property of the body corporate or the company or for which they are responsible.

Total and permanent disablement means - Permanent disability, making a person incapable of undertaking his/her usual occupation or business duties; the loss, or loss of use, of one or more limbs at or above the wrist or ankle, or loss, or loss of use, of one or both eyes.

Voluntary worker means - A person who is actually engaged in voluntary work that is agreed to by, and on behalf of, the body corporate or the company, without promise of reward or remuneration.

A voluntary worker does not include any trustee, director or employee, managing agent, contractor or any person who receives payment or remuneration for work performed.

Also refer to the General Definitions relating to all sections.

WHAT YOU ARE COVERED FOR

1. Personal Accident – Voluntary Workers

We will pay you the following benefit on behalf of a voluntary worker for injury to such person which results in an event within 12 months of the incident.

Event	Benefit
Death	The sum insured as shown in the schedule.
Total and permanent disablement	The sum insured as shown in the schedule.

2. Personal Accident – Assault

We will pay you the following benefit on behalf of a trustee, director or employee for assault to that person which results in an event within 12 months of the incident.

Event	Benefit
Death	The sum insured as shown in the schedule.
Total and permanent disablement	The sum insured as shown in the schedule.

3. Personal Accident – Specified – (If stated to be included in the schedule)

We will pay you the following benefit on behalf of the person named in the schedule for injury to such person which results in an event within 12 months of the incident.

Event	Benefit
Death	The sum insured as shown in the schedule.
Total and permanent disablement	The sum insured as shown in the schedule.

We will only pay if:

- a) the injury or assault to the person is sustained while engaged in work on behalf of the body corporate or company;
- b) the injury or assault is sustained during the period of insurance.

SPECIFIC EXCLUSIONS – WHAT YOU ARE NOT COVERED FOR

We will not pay any claim:

1. if the injured person does not obtain medical advice and treatment from a medical practitioner as soon as possible after the injury or assault occurs;
2. in respect of the death benefit if the person has already been paid for total and permanent disablement;
3. if the person was under the influence of alcohol or drugs at the time of the injury or assault, (except if a drug has been taken or given on the advice of a registered medical practitioner);
4. resulting from any deliberately self-inflicted injury;
5. resulting from any pre-existing injury or physical disability;
6. if the person is under 16 or over 70 years of age;
7. if the person participates in aviation other than as a passenger;
8. arising directly or indirectly from pregnancy or childbirth;
9. as a result of the person's participation in any riot or civil commotion;
10. while the person is travelling on a motor cycle (whether as a driver or passenger) other than travelling in the scope of his employment on behalf of the body corporate or company.

In respect of this section only, General Exclusion 8 is deleted and replaced by the following:

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

Also refer to the General Exclusions relating to all sections.

SPECIFIC CONDITIONS**1. MEDICAL EXAMINATION AND CERTIFICATE**

In the event of a valid claim under this section, we may request the injured person to have a medical examination and, in the event of death, we may also request a post-mortem examination and death certificate. We will pay for these examinations.

We will only accept a report or certificate from a registered medical practitioner.

2. OTHER INSURANCE

In respect of this section only, General Condition and Provision 19 is deleted.

Also refer to the General Conditions and Provisions, and General Claims Procedures relating to all sections.

SECTION H: MOTOR

SPECIFIC DEFINITIONS APPLICABLE TO THIS SECTION ONLY

Bus means - A vehicle designed to seat 11 persons or more (including the driver).

Car means - A private motor car (including station wagons and minibuses) designed to seat 10 persons or less (including the driver), and not exceeding 3,500kg in gross vehicle mass.

Damage means - Physical loss or damage caused by a single, sudden, unintentional and unexpected event, which occurs at an identifiable time.

Licence means - A valid driver's licence or permit that is required in compliance with legislation of the specific country where the vehicle is used at the time of any damage. A person who is learning to drive must comply with legislation concerning learner drivers.

Light delivery vehicle means - A vehicle designed for the purpose of carrying goods (including a panel van or double-cab) not exceeding 3,500kg in gross vehicle mass.

Motorcycle means - A motorcycle, scooter, scrambler, or quad bike.

Retail value means - The reasonable retail value of the vehicle which will be determined by consulting the Auto Dealers' Guide of TransUnion Auto Information Services.

Territorial limits means - The Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

Trailer means - A vehicle which is not self-propelled, and which is designed or adapted to be towed by a self-propelled vehicle.

Vehicle means - A bus, car, light delivery vehicle, motorcycle, trailer, and any other item specified in the schedule (including their accessories and spare parts therein or thereon).

Also refer to the General Definitions relating to all sections.

WHAT YOU ARE COVERED FOR

1. VEHICLES

If the type of cover is shown in the schedule as:

a) **Comprehensive:**

If this Cover Type is selected on your schedule we will pay if the vehicle or any part of it is lost, stolen or damaged by accident, fire, self-ignition, lightning or explosion and cover will include costs and expenses for which you become legally responsible to a third party, if the liability relates to the insured vehicle.

b) **Third party, fire and theft:**

If this Cover Type is selected on your schedule we will pay if the vehicle or any part of it is stolen or is damaged by fire, self-ignition, lightning or explosion and cover will include costs and expenses for which you become legally responsible to a third party, if the liability relates to the insured vehicle.

c) **Third party only:**

We will pay the amount which you become legally liable to pay to a third party if the liability relates to the vehicle.

The most we will pay is the sum insured as shown in the schedule.

2. VEHICLE LIABILITY

We will pay for costs that you are legally liable to pay to a third party, due to an accident which occurs in connection with:

- a) your use of the vehicle;
- b) using the vehicle to tow any single vehicle or trailer;
- c) the loading of any load onto or off the vehicle.

We will also compensate any other person for amounts which they become legally liable for to a third party, due to an accident which occurs as a result of such person's use of the vehicle, including the loading of any load onto or off the vehicle,

provided that:

- a) they comply with all the General Conditions and Provisions and Specific Conditions of this policy, and the terms of this section as far as they apply;
- b) they were using the vehicle with your consent;
- c) they are not covered by any other insurance policy;
- d) they were not refused vehicle insurance, or the continuation of any vehicle insurance, within the three years prior to the date of the accident.

The most we will pay is the limit of indemnity as shown in the schedule.

SPECIFIC CONDITIONS

- 1. You must tell us immediately if, during the period of insurance, your licence (or that of any other person authorised to use the vehicle) is endorsed, suspended or cancelled, or if you (or any other person authorised to use the vehicle) are charged or convicted of negligent, reckless or improper driving.
- 2. Damage is only covered if it occurs within the territorial limits during the period of insurance, and if it is not excluded by this section, or by the General Exclusions of this policy.

Also refer to the General Conditions and Provisions relating to all sections.

EXTRA COVER FOLLOWING DAMAGE

This section includes the Extra Cover shown below after a valid claim. Where the Extra Cover refers to an amount, we will pay, this will be shown in the schedule. All such amounts will be paid, in addition to the sum insured, without the deduction of an excess unless otherwise noted. This cover is only applicable to comprehensively insured vehicles.

1. DELIVERY AFTER REPAIRS

After repair of your damaged vehicle we will also pay the reasonable cost of delivery to you at your permanent house address as shown on the schedule. If your vehicle is accidentally damaged or stolen and recovered outside of South Africa but within the territory, we will pay the reasonable costs to return it to you in South Africa.

2. EMERGENCY COSTS

We will pay for costs of emergency services that you are responsible to pay to any public authority after damage to the vehicle.

The most we will pay is the sum insured as shown in the schedule.

3. EMERGENCY REPAIRS

We will pay for reasonable emergency repairs to allow you to continue your journey. You may authorise these emergency repairs without first obtaining our approval but only if the repairer gives you a full itemised invoice.

The most we will pay is the sum insured as shown in the schedule, less the excess, and not in addition to the sum insured.

4. MEDICAL EXPENSES OF PASSENGERS

We will pay for reasonable medical expenses you incur for accidental bodily injury to passengers. This does not include members of your family who normally live with you; nor must it be possible to recover the medical expenses from any other insurance or facility.

This Extra Cover will only apply in respect of passengers seated in a permanently enclosed passenger-carrying compartment of a car or light delivery vehicle with a carrying capacity not exceeding 1,500kg.

We will only pay if the Road Accident Fund cannot pay.

The most we will pay is the sum insured as shown in the schedule.

5. TOW-IN COST AND SAFEGUARDING

If the vehicle cannot be driven after damage, we will pay for the reasonable costs to safeguard the vehicle and move it to the closest repairer.

The most we will pay is the sum insured as shown in the schedule.

EXTRA COVER

This cover is only applicable to comprehensively insured vehicles.

1. LOSS OF KEYS

We will pay for the reasonable cost of replacing locks and keys, including any remote controls and the reprogramming of any coded security system of the vehicle.

We will only pay after:

- a) the theft of the keys or remote controls;
- b) the reasonable belief that an unauthorised person may be in possession of a duplicate key or remote control;
- c) damage to the locks.

The most we will pay is the sum insured as shown in the schedule, and no excess will apply.

2. WINDSCREEN

The excess as shown in the schedule for damage to the windscreen, side or rear windows, that forms part of any vehicle, will only be applicable if no other insured damage has been caused to the vehicle. If a windscreen is repaired no excess will be payable.

OPTIONAL EXTRA COVER

This cover is only applicable if stated to be included in the schedule.

1. CREDIT SHORTFALL

We will pay the difference between the retail value of the vehicle and the outstanding settlement value in terms of a credit agreement that you entered into with a credit provider registered under the National Credit Act (No. 34 of 2005), if the vehicle is either:

- a) in our opinion, uneconomical to repair following loss or damage; or
- b) stolen or hijacked and not recovered within a reasonable period; less:
 - a) any arrear instalments or rentals, including interest payable on the arrears;
 - b) all refunds of premium for cancellation of any insurance cover relating to the vehicle;
- c) the increased instalments or rentals that would have been required to be 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. This applies if you had arranged to pay lower instalments for an initial period and a higher instalment at a later stage. In this case, we will not compensate you for the remaining amount you owe. We will only compensate you for what you still would have owed if you had arranged to pay back the loan in equal instalments over the term of the loan

d) the excess.

The most we will pay is the sum insured of the vehicle as shown in the schedule.

2. PASSENGER LIABILITY

Specific Exclusion 2(g) does not apply to a bus, light delivery vehicle or motor cycle.

The most we will pay is the limit of indemnity as shown in the schedule.

3. UNAUTHORISED PASSENGER LIABILITY

The compensation under vehicle liability, notwithstanding Specific Exclusion 2(g), includes your legal liability for death of, or bodily injury to, persons who are being carried in, or upon, or entering, or getting onto, or getting off, from any vehicle in contravention of your instructions to your driver not to carry passengers.

The most we will pay is the limit of indemnity as shown in the schedule.

LIMITATIONS TO THE COVER

1. CAR TELEPHONES, RADIOS, TAPE PLAYERS, CD SHUTTLES AND SIMILAR EQUIPMENT

We will pay for the replacement of the above following loss or damage by forcible and violent means. The amount will be limited to the sum insured as shown in the schedule unless the equipment was supplied as standard by the manufacturer.

2. UNAVAILABLE PARTS

If any part or accessory is not available, the most we will pay for that part will be the cost as shown in the manufacturer's latest price list, plus the reasonable fitting costs.

SECURITY MEASURES

SECURITY DEVICE

If a security device is noted in the schedule as a requirement, damage to the vehicle after theft, will be covered only if such device is:

1. installed in or on the vehicle;
2. in a working condition;
3. activated or put into operation when the vehicle is left unattended.

TRACKING DEVICE

If a tracking device is noted in the schedule as a requirement, damage to the vehicle after theft, hijacking or attempted theft or hijacking will be covered only if:

1. the device is installed in or on the vehicle;
2. there is a legally valid contract between you and the supplier of such device;
3. the contract is in force and you have paid the monthly fees up to date;
4. the device is activated and in operation at the time of any theft or attempted theft;
5. the theft or hijacking is immediately reported to the tracking service;
6. either the device is self-testing, or it is tested at least once every six months.

SPECIFIC EXCLUSIONS – WHAT YOU ARE NOT COVERED FOR

1. VEHICLE DAMAGE

We will not pay for damage caused by, or to, or in connection with:

- a) mechanical, electric or electronic breakdown, failures or breakages, including any resulting loss of or damage to any other mechanical, electrical or electronic component as a result of those items mentioned above;
- b) depreciation in value, whether from repairs or otherwise;
- c) gradual causes (such as wear, tear, rust, mildew, corrosion, decay);
- d) tyres by the application of brakes, or by punctures, cuts or bursts caused by road hazards, including potholes;

- e) the suspension system due to unevenness of the road or other surface, or due to impact with such unevenness;
- f) the vehicle that results directly from the vehicle not being roadworthy;
- g) any exchange, cash or credit sale agreement, including theft under false pretence and fraud;
- h) the vehicle being in the possession, custody or control of a member of the motor trade, except for the purpose of maintenance or repair.

We will not pay for any damage if the vehicle is used for:

- a) hiring;
- b) carrying passengers for hire or passengers who pay a fare;
- c) driving instruction for reward;
- d) towing another vehicle for reward;
- e) racing on a race track, circuit, test circuit or anywhere;
- f) speed trials or speed-testing anywhere;
- g) rallying or competitions involving timing;
- h) carrying explosives, hazardous substances/materials that require permission or permits from authorities;
- i) carrying more passengers or weight than the vehicle is licensed or designed to carry.

2. VEHICLE LIABILITY

We will not pay for (unless shown otherwise in the schedule):

- a) any claim where compensation is payable by any compulsory motor vehicle insurance legislation; or where your legal responsibility arises from using any tool or plant (including any machinery) attached on or to the vehicle;
- b) the death of, or bodily injury to, any person you employ, if the death or bodily injury arises from, and in the course of, such employment or while furthering your interests;
- c) the death of, or bodily injury to, any member of the same household as you;
- d) damage to property belonging to you, or held in trust by you, or in your custody or control;
- e) damage to property being conveyed by or loaded onto, or unloaded from, any vehicle;
- f) legal costs and expenses incurred after the date that we paid or offered to pay the full amount of a claim, or a lesser amount needed to settle a claim, or the maximum amount for which we are liable for a claim;
- g) the death of, or bodily injury to, any person who, at the time, was being carried in or on a light delivery vehicle (other than in the permanently enclosed passenger-carrying compartment), bus, trailer, motorcycle or other item specified in the schedule;
- h) the death of, or bodily injury to, any person who, at the time, is or was being carried in or on any vehicle being towed;
- i) liability that results directly from the vehicle not being roadworthy.

3. VEHICLE LOSS OR DAMAGE AND LIABILITY

We will not pay:

- a) if the driver of the vehicle is under the influence of intoxicating liquor or drugs, or his/her blood or breath alcohol concentration exceeds the legal limit;
- b) if the driver of the vehicle does not have a licence to drive the vehicle, irrespective of where the vehicle is being driven.

Also refer to the General Exclusions relating to all sections.

HOW WE SETTLE CLAIMS

We will pay the cost of repairs if the vehicle or any part of it is damaged. If, in our opinion, it is uneconomical to repair the vehicle, we will pay the retail value of the vehicle or the sum insured whichever is the lowest.

In the event of the loss of the vehicle we will pay the retail value of the vehicle or the sum insured whichever is the lowest.

This will depend on the type of cover you have chosen as stated in the schedule.

If you bought the vehicle on a hire purchase or similar agreement, we will pay, subject to the above amount limitations, the owner of the vehicle in terms of the agreement, and once the owner has been paid, you have no further claims against us.

Also refer to the General Conditions and Provisions, and General Claims Procedures relating to all sections.