

hollard broker markets

Business Policy

Hollard.

The Hollard Insurance Co. Ltd (Reg No 1952/003004/06) is an authorised Financial Services Provider

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Reference is made in the Schedule only to those sections shown in this index to be included and policy wordings are attached in respect of those sections only.

At first issue of this Policy (or any section thereof), please check to ensure that all pages of all included sections are contained in this document.

At renewal or revision, policy wordings will not be reissued. This Schedule will be updated and reissued as necessary together with any section schedule which may have changes.

GENERAL INSURANCE CODE OF CONDUCT

Hollard proudly supports the South African Insurance Association (SAIA) Code of Conduct.

The purpose of the Code is to raise standards of practice and service in the general insurance industry.

The objectives of the Code are:

- to promote better, more informed relations between insurers and their customers;
- to improve consumer confidence in the general insurance industry;
- to provide better mechanisms for the resolution of complaints and disputes between insurers and their customers; and
- to commit insurers and the professionals they rely upon to higher standards of customer service. Information on the Code is available from Your nearest Hollard office or from SAIA.

HOLLARD'S SERVICE COMMITMENT

Hollard have adopted and support the Code and are committed to complying with it.
Please contact us if You would like more information about the Code.

HOW TO RESOLVE A COMPLAINT OR DISPUTE

1. TALK TO HOLLARD FIRST

If You have a complaint, the first thing You or Your insurance broker should do is speak to one of Hollard's staff. If Your complaint relates specifically to a claim, speak with Your broker to discuss the claim with the claims officer managing Your claim.

If the staff member or claims officer are unable to resolve the matter for You, You or Your insurance adviser may speak to a manager. The manager will usually provide You with a response to Your complaint within 15 days. If the timeframe is impractical for any reason such as the need for more information or further investigation, they will discuss with You alternative timeframes. If You are not satisfied with our response or Hollard cannot agree with You on alternative timeframes, You can go to step 2.

2. SEEK A REVIEW

If the matter is still not resolved the manager will refer You or Your insurance broker to the relevant dispute handling department or area who will conduct a review of Your dispute and will usually provide You with a response to Your dispute within 15 business days. If the timeframe is impractical, Hollard will discuss alternative timeframes with You.

If You are still not satisfied with our response to Your dispute or Hollard cannot agree on alternative timeframes, You can go to step 3.

3. SEEK AN INDEPENDENT REVIEW

You are entitled to seek an external review of our decision. Hollard will provide You with information about options available to You, including, if appropriate, referring You to the external dispute resolution scheme administered by the Ombudsman for Short-term Insurance (OSTI).

The OSTI is an independent external dispute resolution office and its service is free to Hollard's customers.

You can contact the OSTI at:

The Ombudsman for Short-Term Insurance
PO Box 32334
Braamfontein
2017

Phone : 011 726 8900

Fax : 011 726 5501

The OSTI will tell You if they can help You, as their services are not available to all customers.

Hollard agrees to accept an OSTI decision however You have the right to take legal action if You do not accept their decision. You will not be able to have Your dispute resolved by the OSTI if You are not eligible under the OSTI's Terms of Reference.

Further information about Hollard's complaint and dispute resolution procedures is available by contacting us.
Subject to the terms, exceptions and conditions

SECTION 1

General exceptions conditions and provisions

Subject to the terms, exceptions and conditions (precedent or otherwise) and in consideration of, and conditional upon, the prior payment of the premium by or on Your behalf and receipt thereof by or on behalf of Hollard, Hollard agrees to indemnify or compensate You by payment or, at the option of Hollard, by replacement, reinstatement or repair in respect of the defined events occurring during the period of insurance and as otherwise provided under the within sections up to the sums insured, limits of indemnity, compensation and other amounts specified.

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

YOUR DUTY OF DISCLOSURE

Before You enter into a contract of insurance with an insurer, You have a duty to disclose to the insurer every matter that You know, or could reasonably be expected to know, is relevant to the insurer’s decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to Hollard before You renew, extend, vary or reinstate a contract of insurance. Your duty however does not require disclosure of a matter:

- that diminishes the risk to be undertaken by Hollard;
- that is common knowledge;
- that Hollard knows or, in the ordinary course of its business, ought to already know;
- if compliance with Your duty is waived by Hollard.

NON-DISCLOSURE

If You fail to comply with Your duty of disclosure, Hollard may be entitled to reduce its liability under the contract in respect of a claim or may cancel the contract.

If Your non-disclosure is fraudulent, Hollard may also have the option of avoiding the contract from its beginning

IMPORTANT INFORMATION

1. DELAY OF COVER

Hollard will not provide any cover, for a period of 48 hours from the time of the commencement of Your insurance, for Damage or loss caused by:

- (a) bushfire or grassfire; or
- (b) a named cyclone.

This Exclusion does not apply, however, if this insurance commences directly after:

- (a) another insurance policy covering the same property expired, without a break in cover;
- (b) You have entered into a contract of sale to purchase the property; or
- (c) You have entered into a contract to lease the property.

2. ALTERATIONS TO YOUR BUSINESS

To ensure continued cover under this Policy, it is important that You advise Hollard immediately of any changes to Your Business that may result in an increased chance of destruction, loss or damage to property insured or liability to third parties. Some examples of changes about which You should notify Hollard are:

- (a) changes in Your name or directors or partners;
- (b) changes to the address or location of Your Business;
- (c) changes in the nature of Your Business or trade or occupation;
- (d) alterations in construction of the premises;
- (e) new business products not previously disclosed to us.

When Hollard receives notification of a change, Hollard may decide to either:

- 1. adjust the premium or terms of the Policy, or
- 2. cancel the Policy in accordance with the provisions of this Policy.
- 3. Payments by instalment
If payment is to be made by instalments, then failure to pay any instalment for a period of 15 days or longer may result in Hollard refusing to meet any claim arising from an event occurring after the due date of the instalment. If the instalment is overdue for a period of one month or longer, Hollard may cancel Your policy without notice.

HOLLARD'S AGREEMENT

The Policy wording, Schedule (which expression includes any Schedule substituted for the original Schedule) and endorsements (if any) are to be read together.

In return for Your paid or agreed payment of the premium to Hollard, subject to the terms, conditions, exclusions and limitations contained in, or endorsed on or otherwise expressed in this Policy or the Schedule, Hollard will insure You to the extent described in this Policy during the Period of Insurance or any further period for which Hollard may accept payment of the premium and indemnify You in the manner and to the extent described in this Policy.

You are insured for those items, including Variations and Extensions, for which a Sum Insured or Limit of Indemnity is shown in the Schedule or which are otherwise indicated in the Schedule as being operative. However:

- 1. the Sum Insured under any item is as shown in the Schedule or as otherwise expressed in the Policy;
- 2. where the insurance is varied or extended by any Additional Benefit, Special Clause, Variation and Extension or endorsement, the insurance provided by such Additional Benefit, Special Clause, Variation and Extension or endorsement is subject to the terms, conditions, exclusions and limitations of the Policy in so far as they can apply.

The Policy, Schedule, Application and endorsements together form the agreement and are read together.

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

GENERAL EXCEPTIONS

1. WAR, RIOT AND TERRORISM

- (A) This policy does not cover loss of or damage to property related to or caused by:
- (i) civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the foregoing;
 - (ii) war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - (iii)
 - (a) mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege;
 - (b) insurrection, rebellion or revolution;
 - (iv) any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence;
 - (v) any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public or any section thereof;
 - (vi) any attempt to perform any act referred to in clause (iv) or (v) above;
 - (vii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause A (i), (ii), (iii), (iv), (v) or (vi) above.

If Hollard alleges that, by reason of clause A(i), (ii), (iii), (iv), (v), (vi) or (vii) of this exception, loss or damage is not covered by this policy, the burden of proving the contrary will rest on You.

- (B) This policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this Policy applies.
- (C) Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act of terrorism regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense.

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

If Hollard alleges that, by reason of clause 1(C) of this exception, loss or damage is not covered by this policy, the burden of proving the contrary will rest on You.

2. ASBESTOS [applicable to the Public Liability section, Employers Liability section and Sub-section D (Liability) of the Buildings Combined section]

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

3. NUCLEAR

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

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

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

4. COMPUTER LOSSES

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

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

- a) loss or destruction of or damage to any property whatsoever (including a computer) or any loss or expense whatsoever resulting or arising from them;
- b) any legal liability of whatsoever nature;
- c) any consequential loss;

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

- i) to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or
- ii) to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command which

causes the loss of data or the inability to capture, save, retain or correctly process such data in regard to or in connection with any such data, or

- iii) to capture, save, retain or to process any information or code due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes, or
- iv) to capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.

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

SPECIAL EXTENSION TO GENERAL EXCEPTION 4

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

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

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

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

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

5. DETENTION, CONFISCATION AND FORFEITURE

This policy does not cover any loss, damage, cost or expense directly or indirectly arising from dispossession, detention, confiscation, forfeiture, impounding or requisition legally carried out by customs, police services, crime prevention units or other officials or authorities

GENERAL CONDITIONS

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

1. MISREPRESENTATION, MISDESCRIPTION AND NON-DISCLOSURE

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

2. OTHER INSURANCE

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

3A. CANCELLATION

This policy or any section may be cancelled at any time by Hollard 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, Hollard will 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 Hollard, You will be entitled to claim a pro rata proportion of the premium for the remainder of the period of insurance from the date of cancellation, subject to general condition 4.

3B. CONTINUATION OF COVER (WHERE PREMIUM IS PAYABLE BY BANK DEBIT ORDER OR BY TRANSMISSION ACCOUNT)

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

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

- (a) each third
- (b) each sixth or
- (c) each twelfth calendar month following the month of inception or the month of last payment where premium is payable quarterly, half-yearly or annually.
- (d) Payments by instalment
If payment is to be made by instalments, then failure to pay any instalment for a period of 15 days or longer may result in Hollard refusing to meet any claim arising from an event occurring after the due date of the instalment. If the instalment is overdue for a period of one month or longer, Hollard may cancel Your policy without notice.

4. ADJUSTMENT OF PREMIUM

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

5. PREVENTION OF LOSS

You will take all responsible steps and precautions to prevent accidents or losses. You are also required to comply and adhere to laws and regulations which are material to the risk (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). The failure to adhere to any applicable law, regulation, by-law or rule will entitle Hollard to reject any claim where such failure is material to the loss/damage.

6. CLAIMS

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

7. HOLLARD'S RIGHTS AFTER AN EVENT

(subrogation condition)

- (a) On the happening of any event in respect of which a claim is or may be made under this policy, Hollard and every person authorised by Hollard may, without thereby incurring any liability and without diminishing the right of Hollard to rely upon any conditions of this policy,
 - (i) take, enter or keep possession of any damaged property and deal with it in any reasonable

manner. This condition will be evidence of Your leave and licence to Hollard to do so. You will not be entitled to abandon any property to Hollard whether taken possession of by Hollard or not

- (ii) take over and conduct in Your name the defence or settlement of any claim and prosecute in Your name for your own benefit any claim for indemnity or damages or otherwise and will have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission, statement, offer, promise, payment or indemnity will be made by You without the written consent of Hollard.
- (b) You will, at the expense of Hollard, do and permit to be done all such things as may be necessary and/or reasonably required by Hollard for the purpose of enforcing any rights to which Hollard will be, or would become, subrogated upon Your indemnification whether such things will be required before or after such indemnification.
- (c) In respect of any section of this policy under which an indemnity is provided for liability to third parties, Hollard may, upon the happening of any event, pay to You the limit of indemnity provided in respect of such event or any lesser sum for which the claim or claims arising from such event can be settled and Hollard will thereafter not be under further liability in respect of such event.

8. FRAUD

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

9. REINSTATEMENT OF COVER AFTER LOSS

(not applicable to stock on a declaration basis nor to any section where it is stated to be not applicable)

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

10. BREACH OF CONDITIONS

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

11. NO RIGHTS TO OTHER PERSONS

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

12. COLLECTIVE INSURANCES

If this insurance is a collective insurance then the following amendment is made to general condition 6(a) (d) above:

“give the leading insurer on behalf of Hollard such proof, information and sworn declaration as Hollard may require and forward to the leading insurer immediately any notice of claim or any communication, writ, summons or other legal process issued or commenced against You in connection with the event giving rise to the claim.”and General condition 7 is substituted by the following:

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

13. PROTECTION AND ALARM WARRANTY (section/s where indemnity given for theft/attempted theft)

It is a condition precedent to the liability of Hollard/s in respect of loss of or damage to Your property (or for which You are responsible) by theft or any attempt thereat from any insured building stated in the schedule that the alarm as required by Hollard/s is set and armed and made fully operative whenever the protected building/s is/are not open for business (unless a principal, partner, director or employee of Yours are in the protected building/s) and it is warranted that:

1. the said alarm is to be a dual monitoring alarm whenever feasible (for the purposes of this requirement, dual monitoring will mean that once the alarm is triggered a signal will be transmitted by two different methods to the control room of the company monitoring the alarm);
2. if the company which installed the said alarm system operates an armed reaction unit, the contract for the said alarm will include the armed reaction unit’s services, where available;
3. such alarm will be maintained in proper working order but You will be deemed to have discharged Your liability if You have maintained Your obligations under a maintenance contract with the installation/ service company of the alarm system;
4. the control panel will have an event log and the arming and disarming of the alarm is to be logged and after the occurrence of a claim, Hollard will be entitled to request full information of the relevant log;
5. Loss of or DAMAGE to the property following the use of the keys, the keypad code or the remote control of the burglar alarm or any duplicate thereof belonging to You are not covered unless such keys, keypad code or remote control has been obtained by violence or threat of violence to any person or such keys, keypad code or remote control was obtained by theft.

GENERAL PROVISIONS

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

A. CLAIMS PREPARATION COSTS

The insurance provided by each section of this policy is extended to include costs reasonably incurred by You in producing and certifying any particulars or details required by Hollard in terms of general condition 6 or to substantiate the amount of any claim, provided that the liability of Hollard for such costs in respect of any one claim will not exceed, in respect of a particular section, R1,000 or 10% of the sum insured or limit of indemnity on the item affected, whichever is less, plus any amount stated in the schedule to each section against an item for additional claim preparation costs.

B. PAYMENTS ON ACCOUNT

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

C. FIRST AMOUNT PAYABLE

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

D. MEMBERS

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

E. LIABILITY UNDER MORE THAN ONE SECTION

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

F. MEANING OF WORDS

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

G. PREMIUM PAYMENT

Premium is payable on or before the inception date or renewal date as the case may be.

Hollard will not be obliged to accept premium tendered to it after inception date or renewal date as the case may be but may do so upon such terms as it at its sole discretion may determine.

H. HOLDING COVERED

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

I. SCHEDULE SUMS INSURED BLANK

If, in a schedule of this policy, the sum 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 means the defined event or circumstance shown in the schedule is not insured by the policy.

J. SECURITY FIRMS

If an employee of a security firm employed by You under a contract causes loss or damage, Hollard agrees, if in terms of the said contract You may not claim against the said security firm, not to exercise Hollard's rights of recourse against the said security firm.

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

K. PERIOD OF INSURANCE

If the period of insurance (other than a first period of insurance) is for a period of less than twelve months then the following amendments are made to the policy

SECTION	PAGE AND REFERENCE	AMENDMENT
1. General 2. Fire 5. Business Interruption 6. Accounts Receivable 19. Motor	4/8: Adjustment of Premium 7/8: Specific Condition (b) in 4/6: Deposit Premium Clause 2/2: Adjustment Clause 7/8: Premium Adjustment Clause	The words “each period of insurance” are amended to read “each period of Stock Declaration Conditions twelve consecutive months from the inception date or anniversary date”
2. Fire 3. Buildings Combined 4. Office Contents	4/8: Capital Additions Clause 4/6: Capital Additions Clause 3/6: Capital Additions Clause	If the period of insurance is more often than quarterly then the words “each quarter” words “each quarter” are amended to “each month”
10. Fidelity	1/5: Defined Event 4/5: Reduction/Reinstatement of insured Amount Clause	Proviso (v) is added(v) The amount payable during any one period of 12 consecutive months from inception or anniversary date will not exceed the sum insured stated in the schedule at the said inception or anniversary date as the case may be (or double the sum insured if Your “Reduction / Reinstatement amount clause” applies) If the sum insured is increased the 12 consecutive months applies from the anniversary date. Any reinstatement between the date of increase and the anniversary date will not exceed twice the sum insured The words “annual premium” are amended to read “twelve times the monthly premium” for policies with monthly periods of insurance and “four times the quarterly premium” or “twice the bi-annual premium” for policies with quarterly or half-yearly periods of insurance respectively.
15. Public Liability (Occurrence Basis)	4/5: Products Liability Extension 4/5: Defective Workmanship Liability Extension 5/5: Wrongful Arrest and Defamation Extension	The words “any one (annual) period of insurance” are amended to read “any one period of twelve consecutive months from inception date or anniversary date”
14. Public Liability (Claims Made Basis)	5/6: Products Liability Extension 5/6: Defective Workmanship Liability Extension 6/6: Wrongful Arrest and Defamation Extension	
19. Motor	3/8: No Claim Rebate Provisions	The Claim-Free Groups or No Claim Discounts applicable will be established at inception date and/or anniversary date and the references to “preceding years” mean the relevant period of 12 consecutive months preceding such dates
Public Liability Schedule	Wrongful Arrest and Defamation	The limit of Indemnity is R50,000 per event or R100,000 any one period of 12 consecutive months from inception date or anniversary date

SECTION 2

Fire

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

Damage to the whole or part of the property described in the schedule, owned by You or for which You are responsible, including alterations by You as tenant to the buildings and structures, by

1. fire
2. lightning or thunderbolt
3. explosion
4. such additional perils as are stated in the schedule to be included.

SPECIFIC EXCEPTIONS

1. This section does not cover earthquake (whether arising from mining operations or otherwise) unless added as an additional peril.

Any damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences will be deemed to be damage which is not covered by this insurance, except to the extent that You will prove that such damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where Hollard alleges that, by reason of this exception, any damage is not covered by this insurance, the burden of proving the contrary will be on You.

2. Unless specifically included, this insurance does not cover
 - (i) damage to property occasioned by its undergoing any heating or drying process [damage to property undergoing any process where the Damage results from it being processed]
 - (ii) damage to property which at the time thereof is insured by or would, but for the existence of this insurance, be insured by any marine policy(ies), except in respect of any excess beyond the amount which would have been payable under the marine policy(ies) had this insurance not been effected.

SPECIFIC CONDITION

AVERAGE

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

ADDITIONAL PERILS (if stated in the schedule to be included)

It is understood and agreed that in respect of each additional perils extension included in this insurance

- (a) all the exceptions and conditions applicable to this insurance will apply as if they had been incorporated therein
- (b) for the purposes thereof any damage insured will be deemed to have been caused by fire.

EARTHQUAKE EXTENSION

Damage caused by earthquake but excluding damage to property in the underground workings of any mine.

SPECIAL PERILS EXTENSION

Damage caused by

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

This extension does not cover

1. wear and tear or gradual deterioration
2. damage caused or aggravated by
 - (a) leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby
 - (b) subsidence or landslip
 - (c) Your failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.

LEAKAGE EXTENSION

Damage caused by discharge or leakage from any sprinkler, drencher system or fire extinguishing installation/appliance.

If a first loss limit is shown against this additional peril in the schedule, the amount of such limit will be the maximum liability of Hollard in respect of any one event and, for the purposes of this extension only, the following will be substituted for the average condition herein before expressed:

If the property insured is, at the commencement of any damage to such property by discharge or leakage, collectively of greater value than the sum insured thereon against fire damage, then Hollard will be liable under this extension only for that proportion of the first loss limit as the sum insured against fire bears to the total value of such property and You will be considered as being Your own insurer for the difference and will bear a rateable share of the loss accordingly. Every item, if more than one, to which this extension applies will be separately subject to this clause.

In respect of this extension only, specific exception 1 to this section is deleted.

SUBSIDENCE AND LANDSLIP EXTENSION

Damage caused by subsidence or landslip provided that You shall bear the first portion of each and every claim up to an amount calculated at 1% of the sum insured on the property or R500 whichever is greater.

This extension does not cover

1. damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
2. damage caused by or attributable to
 - (a) faulty design or construction of, or the removal or weakening of support to, any building situated at Your premises
 - (b) workmen engaged in making any structural alterations, additions or repairs to any building situated at Your premises
 - (c) excavation on or under land other than excavations in the course of mining operations
3. consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.

In any action, suit or other proceeding where Hollard alleges that, by reason of the provisions of these exceptions, any damage is not covered by this insurance, the burden of proving the contrary will be upon You.

MALICIOUS DAMAGE EXTENSION

Damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such damage other than damage to

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

the said immovable property or any part thereof with the intention of stealing any part thereof provided that this extension does not cover

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

If Hollard alleges that, by reason of proviso (a), (b), (c), (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

If any building insured or containing Your property becomes unoccupied for 30 consecutive days, the insurance in respect of this extension is suspended as regards the property affected unless You, before the occurrence of any damage, obtain the written agreement of Hollard to continue this extension.

During the period of the initial unoccupancy of 30 consecutive days, You will become a co-insurer with Hollard and will bear a proportion of any damage equal to 20% of the claim before deduction of any Deductible.

RIOT AND STRIKE EXTENSION

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

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

If Hollard alleges that, by reason of proviso (a), (b), (c), (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

CLAUSES AND EXTENSIONS

RENT CLAUSE (if insured under column 2)

Hollard will pay the periodic rental amount receivable, periodic rental amount payable or periodic rental amount value (as the case may be) defined hereunder in the event of the premises stated in the schedule being rendered untenable during the term specified therein in consequence of damage by a defined event.

- (i) Rental amount receivable - the actual rent receivable by You at the time of the event in respect of the aforesaid premises or on such part of the same as may then be let.
- (ii) Rental amount payable - the actual rent payable by You to the owner or landlord of the said premises.
- (iii) Rental amount value - the actual rental value of the said premises.

The amount payable in terms of this clause will be in the proportion which the amount insured bears to the actual rent receivable/rent payable or rental value of the premises as the case may be and if the premises are not untenable during the whole of the aforesaid term, Hollard will only be liable to pay such proportion of the amount payable as the period of time during which the premises may remain untenable bears to the whole term specified above, but the period will not exceed the time which would be required to place the premises in a tenable condition.

DESIGNATION OF PROPERTY CLAUSE

For the purpose of determining where necessary the column under which any property is insured, Hollard agrees to accept the designation under which such property has been entered in Your books.

ALL OTHER CONTENTS CLAUSE

The term all other contents referred to in the definition of property under column 3 of the schedule includes, but is not restricted to personal effects, tools and pedalcycles, Your property or Your directors or employees in so far as such property is not otherwise insured.

The benefit under this extension is limited to R5,000 for any one individual in respect of property lost or damaged while on Your premises.

LIMITATIONS CLAUSE

Hollard's liability under column 3 of the schedule is restricted in respect of

- (a) money and stamps to a limit of R5,000
- (b) documents, manuscripts, business books, plans, computer systems records and media, designs, patterns, models and moulds to the value of materials and sums expended in labour.

ALTERATIONS AND MISDESCRIPTION CLAUSE

The insurance under this section will not be prejudiced by any alteration or misdescription of occupancy whether due to the transfer of processes or machinery or by virtue of acquisition of additional premises, structural alterations or repairs to buildings, machinery or plant, provided that notice is given to Hollard as soon as practicable after such event and You agree to pay additional premium if required.

ARCHITECTS' AND OTHER PROFESSIONAL FEES CLAUSE

The insurance under columns 1 and 3 of the schedule includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 15% of the amount payable in respect of such damage and provided that the total amount recoverable will not exceed the sum insured on the property affected. The amount payable in respect of such fees will not include expenses incurred in connection with the preparation of Your claim.

CAPITAL ADDITIONS CLAUSE

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property other than stock and materials in trade for an amount not exceeding 20% of the sum insured thereon, it being understood that You undertake to advise Hollard each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

COST OF DEMOLITION AND CLEARING AND ERECTION OF HOARDINGS CLAUSE

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

Hollard will not pay for any costs or expenses

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

FIRE EXTINGUISHING CHARGES CLAUSE

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

MORTGAGEE CLAUSE

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

MUNICIPAL PLANS SCRUTINY FEE CLAUSE

The insurance under column 1 of the schedule includes municipal plans scrutiny fee, provided that the total amount recoverable under any item will not exceed the sum insured on the building affected.

PUBLIC AUTHORITIES' REQUIREMENTS CLAUSE

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

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

4. the total amount recoverable under any item of this section will not exceed the sum insured thereby.

RAILWAY AND OTHER SUBROGATION CLAUSE

You will not be prejudiced by signing the “Transnet Cartage (Hazardous Premises) Indemnity” or other special agreements with Transnet Administration regarding private sidings or similar agreements with other government bodies.

REINSTATEMENT VALUE CONDITIONS CLAUSE

In the event of property other than stock being damaged, the basis upon which the amount payable is to be calculated will be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than You property when new

provided that

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

ALTERNATIVE REPLACEMENT CONDITIONS (design capacity) clause

In the event of property insured which has a measurable function, capacity or output being damaged by a defined event and it not being possible to replace or reinstate such property in terms of the reinstatement value conditions, then Hollard will pay the cost of replacing such property with property the quality, capacity, function or output of which is as near as possible but not inferior to that of the original property

provided that

1. proviso 1, 2, 3 and 4 of the reinstatement value conditions apply equally to this clause
2. in applying the provisions of proviso 3 of the reinstatement value conditions, the cost (as provided for in proviso 3) “which would have been incurred in replacement or reinstatement if Your whole property had been damaged” will be increased by such amount payable under the alternative replacement clause which is in excess of that which would have been payable under the reinstatement value conditions clause, had it been possible to reinstate or replace the property in terms thereof.

TEMPORARY REMOVAL CLAUSE

Except in so far as it is otherwise insured the property insured is covered while temporarily removed elsewhere on the premises stated in the schedule or to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi provided that

1. unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, the liability of Hollard will not exceed 15% of the sum insured applicable to any item
2. the amount payable under this clause will not exceed the amount that would have been payable had the loss occurred on the part of the premises from which the property is temporarily removed.

TENANTS CLAUSE

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

STOCK DECLARATION CONDITIONS (if stated in the schedule to be included)

In respect of stock and materials in trade insured under this section being subject to the stock declaration conditions, the premium is calculated on 75% of the sum or sums insured thereon, subject to the following specific conditions:

1.
 - (a) You will declare to Hollard in writing the market value of Your stock and materials in trade on the last day of each month/quarter (as stated in the schedule) and will make such declaration within 30 days thereof, otherwise You will be deemed to have declared the sum insured on such property as the market value thereof.
 - (b) After each period of insurance, the premium will be calculated on the average sum insured, namely the total of the values declared or deemed to have been declared, divided by the number of declarations due to have been made. If the resultant premium differs from the provisional premium, the difference will be payable by or to You as the case may be, but the amount payable by Hollard will not exceed 50% of the provisional premium.
2. Any claim hereunder will be settled on the basis of the market value immediately anterior to the damage.
3. If, after the occurrence of damage, it is found that the amount of the last declaration is less than the amount that ought to have been declared, then the amount which would have been recoverable by You will be reduced in such proportion as the amount of the said declaration bears to the amount that ought to have been declared or to the sum insured, whichever is less. The provisions of this condition will, if applicable, operate cumulatively with the provisions of the specific condition relating to average.
4. In consideration of the insurance not being reduced by the amount of any loss, You will pay additional premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra premium will not be taken into account in, and will be distinct from, the final adjustment premium.
5. The liability of Hollard will not exceed the sum insured and premium will not be receivable on values in excess thereof.
6. The above specific conditions will apply separately to each item of the specification to which these stock declaration conditions apply.

PUBLIC SUPPLY CONNECTIONS CLAUSE

This section is extended to cover accidental damage to water, sewerage, gas, electricity, and telecommunication connections, Your property or for which You are legally responsible between the property insured and the public supply or mains.

ESCALATOR CLAUSE EXTENSION (if stated in schedule to be included)

During each period of insurance, the sum(s) insured under columns 1 and/or 3 of this section will be increased by that portion of the percentage specified in the schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions will only apply to the sum(s) insured in force at the commencement of the period of insurance.

At each renewal date, You will notify Hollard of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this clause will cease to apply.

The additional premium for this extension will be 50% of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this extension applies.

DISPOSAL OF SALVAGE CLAUSE (if stated in the schedule to be included)

Without diminishing the rights of Hollard to rely on the provisions of the general conditions in the event of a loss, Hollard agrees that it will not sell or otherwise dispose of any property which is the subject of a claim hereunder without Your consent provided that You can establish to the satisfaction of Hollard that to do so will prejudice Your interests in which event Hollard agrees to give You first option to repurchase such property at its fair intrinsic value or market value whichever is greater.

You will not be entitled under the provisions of this clause to abandon any property to Hollard whether taken possession of by Hollard or not.

AVERAGE EXTENSION: DAY ONE BASIS: NON-ADJUSTABLE – APPLICABLE TO BUILDINGS AND MACHINERY ONLY

The items to which this extension applies and Your declared values are shown in the schedule.

1. You having stated in writing the declared value incorporated in each item to which this extension applies, the premium has been calculated accordingly.

“Declared Value” will mean Your assessment of the cost of reinstatement of the property insured arrived at in accordance with the first paragraph of the Reinstatement Value Conditions at the level of costs applying at the inception of the period of insurance (ignoring inflationary factors which may operate subsequently to the fixing of the Declared Value) together with, in so far as the insurance by the item provides, due allowance for:

- (i) the additional costs of reinstatement to comply with Public Authority Requirements (as stated herein)
- (ii) architects and other professional fees (as stated herein)
- (iii) costs of demolition and clearing and erection of hoardings (as stated herein).

2. At the inception of each period of insurance, You will notify Hollard of the declared value of the property by each of the said item(s). In the absence of such declaration, the last amount declared by You will be taken as the declared value for the ensuing period of insurance.

3. Notwithstanding any general condition or endorsement to the contrary, the following wording applies to proviso 3 of the Reinstatement Value Conditions.

Each item insured under these conditions is declared to be separately subject to the following condition of average, namely:

If, at the time of damage, the declared value of the property covered by such item be less than the cost of reinstatement (as defined in paragraph 1 above) at the inception of the period of insurance, then Hollard's liability for any loss hereby insured will be limited to that proportion thereof which the declared value bears to such cost of reinstatement.

The following special Memorandum is added to the Reinstatement Value Conditions.

SPECIAL MEMORANDUM

Where, by reason of any of these conditions, no payment is to be made beyond the amount which would have been payable under the policy if this extension had not been incorporated therein, the rights and liabilities of Hollard and You in respect of the destruction or damage will be subject to the terms and conditions of the policy including any condition of average therein, as if this extension had not been incorporated therein, except that the total amount payable will be limited to a maximum of the percentage of the declared value shown in the schedule.

4. In the event of loss, the liability of Hollard in respect of property to which this extension applies will not exceed the sums insured stated in the schedule.
5. If this section of the policy is subject to a capital additions clause, then such clause is deleted and replaced by the following:

The insurance hereby extends to cover alterations, additions and improvements (but not appreciation in value in excess of the sums insured) to property specified herein (other than stocks) for an amount not exceeding 10% of such sums insured, it being understood that You undertakes to advise Hollard each quarter of such alterations, additions and improvements and to pay the appropriate additional premium thereon.

SECTION 3

Buildings combined

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

1. Damage by the perils described
 - (a) in sub-section A to the buildings including all outbuildings thereto (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the schedule) and sporting and recreational structures, landlord's fixtures and fittings therein and thereon, walls (except dam walls), gates, posts, fences, and tarred or paved roads, driveways, paths or parking areas.
 - (b) in sub-section B to public supply connections situated as stated in the schedule.
2. Loss of rent as provided for in sub-section C.
3. Legal liability as provided for in sub-section D

SUB-SECTION A PROPERTY

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, hail or snow other than
 - (a) that arising from its undergoing any process necessarily involving the use or application of water
 - (b) wear and tear or gradual deterioration
 - (c) loss or damage
 - (i) to retaining walls
 - (ii) caused or aggravated by
 - subsidence or landslide
 - Your failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage.
3. Earthquake.
4. Aircraft and other aerial devices or articles dropped from them.
5. Impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes, vehicles or property in or on such vehicles.
6. Theft (or any attempt thereat) accompanied by forcible and violent entry into or exit from such building. If any building insured or containing Your property becomes unoccupied for 30 consecutive days, this item is suspended as regards the property affected unless You obtain the written agreement of Hollard to continue this insurance before the occurrence of damage. During the period of the initial unoccupancy of 30 consecutive days You will become a co-insurer with Hollard and will bear a rateable proportion of any damage equal to 20% of the claim before deduction of any Deductible

7. Accidental damage to sanitaryware, but the amount payable will be reduced by R250 for each and every such damage.

SPECIFIC CONDITION (not applicable to 7 above)

AVERAGE

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

SUB-SECTION B

PUBLIC SUPPLY CONNECTIONS

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

SUB-SECTION C

RENT

1. Where Your business is that of an hotel, boarding house, bed and breakfast or similar occupation:

Loss of Rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 25% of the sum insured applicable to buildings, plant and machinery. The basis of calculation will be the rent payable by You as lessee of the buildings, plant and machinery immediately preceding the damage or if You are not the lessee of the buildings, plant and machinery, the rental equivalent You should receive as lessor for leasing all the buildings, plant and machinery to a single legal entity.

2. Where Your business is other than that as stated in 1. above:

Loss of rent as a result of the property insured being so damaged by any of the perils specified as to be rendered untenable (including partially untenable) but only for the period necessary for reinstatement and for an amount not exceeding 25% of the sum insured on the affected property. The basis of calculation will be the rent payable immediately preceding the damage or its equivalent in rental value.

SUB-SECTION D

LIABILITY

Damages for which You will become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury) or accidental loss of or physical damage to tangible property (hereinafter termed damage) occurring during the period of insurance in, on or about the property insured and arising from Your ownership thereof.

Where general and tenants liability has been effected under the Public Liability (Claims Made or Occurrence Basis) Section of this Policy, the cover afforded by this Sub-section is cancelled and of no effect.

THE LIMIT OF INDEMNITY

The amount payable inclusive of any legal costs recoverable from You by a claimant or any number of claimants and other costs and expenses incurred with Hollard's consent for any one event or series of events with one original cause or source will not exceed the amount of R1,000,000.

SPECIFIC EXCEPTIONS (applicable to sub-section D)

Hollard will not indemnify You under this sub-section in respect of

1. injury or damage sustained by
 - (a) any member of the same household as You
 - (b) any person employed by You under a contract of service or apprenticeship and arising directly from and in the course of such employment by You
 - (c) any other person resulting from the ownership of or use by or on Your behalf of mechanically propelled vehicles (except bicycles and lawnmowers)
2. damage to property
 - (a)
 - (i) belonging to You
 - (ii) in Your custody or control or any employee of Yours
 - (b) caused by vibration or by the removal or weakening of or interference with support to any land, building or other structure
3. liability assumed by agreement unless liability would have attached to You notwithstanding such agreement
4.
 - (a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination provided always that this exception will not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence
 - (b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence

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

5. fines, penalties, punitive, exemplary or vindictive damages
6.
 - (a) damages in respect of judgments delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland
 - (b) costs and expenses of litigation recovered by any claimant from You which are not incurred in and recoverable in the area described in 6(a) above.

MEMORANDA TO SUB-SECTION D

1. Where more than one insured is named in the schedule, Hollard will indemnify each insured separately and not jointly and any liability arising between such insured will be treated as though separate policies had been issued to each, provided that the aggregate liability of Hollard will not exceed the limit of indemnity stated in the schedule.
2. Provided that the aggregate liability of Hollard is not increased beyond the limit of indemnity stated, Hollard will also indemnify as though a separate policy had been issued to each
 - (a) in the event of Your death, any personal representative of Yours in respect of liability incurred by You

- (b) any partner or director or member or employee of Yours (if You so requests) against any claim for which You are entitled to indemnity under this insurance.

3. In respect of this sub-section only, General exception 1 is deleted and replaced by the following:

This sub-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.

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

CLAUSES AND EXTENSIONS

SUBSIDENCE AND LANDSLIP EXTENSION TO SUB-SECTION A (if stated in the schedule to be included)

The following peril is added to the perils applicable to sub-section A - Property:

8. Damage caused by subsidence or landslip

provided that You will bear the first portion of each and every claim up to an amount calculated at 1% of the sum insured on the property or R500 whichever is greater.

For the purposes hereof, any damage insured will be deemed to have been caused by fire provided that this extension does not cover:

- 8.1 damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured
- 8.2 damage caused by or attributable to
- (a) faulty design or construction of, or the removal or weakening of support to, any building situated at Your premises
 - (b) workmen engaged in making any structural alterations, additions or repairs to any building situated at Your premises
 - (c) excavation on or under land other than excavations in the course of mining operations
- 8.3. consequential loss of any kind whatsoever except loss of rent.

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

PREVENTION OF ACCESS EXTENSION TO SUB-SECTION C (if stated in the schedule to be included)

If property within a 10 km radius of the premises stated in the schedule is lost or damaged by a peril defined in sub-section A during the period of insurance and this prevents or hinders the use of or access to the property insured by this section, Hollard will pay any loss of rent You may incur as a result thereof up to an amount not exceeding 25% of the sum insured on the affected property. The loss of rent calculation will be based on the rent payable immediately preceding the loss or damage or its equivalent rental value.

SECURITY FIRMS (applicable to sub-section D – Liability)

Notwithstanding specific exception 3, if, in terms of a contract with a security firm engaged in the course of Your business

(as owner of the premises specified in the schedule) to protect Your insured property at the premises stated in the schedule, You become legally liable for the acts or omissions of the employees of the security firm in the course of their employment at these premises, then this sub-section includes such legal liability to the extent that indemnity would have been granted under this sub-section had the said employees been under a contract of service to You and not the security firm, but not exceeding the limit of liability stated in the schedule for this sub-section.

If, at the time of an occurrence giving rise to a claim, the security firm is entitled to indemnity under any other policy in respect of the same event, Hollard will not be liable to make any payment except in respect of any amount above the amount payable under such other policy.

ARCHITECTS' AND OTHER PROFESSIONAL FEES CLAUSE

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

CAPITAL ADDITIONS CLAUSE

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

COST OF DEMOLITION AND CLEARING AND ERECTION OF HOARDINGS CLAUSE

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

Hollard will not pay for any costs or expenses

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

FIRE EXTINGUISHING CHARGES CLAUSE

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

MORTGAGEE CLAUSE

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

MUNICIPAL PLANS SCRUTINY FEE CLAUSE

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

PARKING FACILITIES AND MOVEMENT OF THIRD PARTY VEHICLES (if stated in the schedule to be included)

This section extends to indemnity You in respect of accidents caused by or through or in connection with the moving of any vehicle (not owned or borrowed by or hired or leased to You) by any person in Your employment or acting on Your behalf, provided always that such vehicle was being moved:

- (a) with the authority of any tenant, customer or visitor of Yours; or
- (b) in connection with Your parking arrangements; or
- (c) to facilitate the carrying out of Your Business;

and provided further that this extension will not apply in respect of damage to vehicles which are parked for reward. For the purposes of this extension, such vehicle (and its contents) will not be deemed to be held in trust by, or in the custody or control of Yourself.

PUBLIC AUTHORITIES' REQUIREMENTS CLAUSE

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

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

RAILWAY AND OTHER SUBROGATION CLAUSE

You will not be prejudiced by signing the “Transnet Cartage (Hazardous Premises) Indemnity” or other special agreements with the Transnet Administration regarding private sidings or similar agreements with other government bodies.

REINSTATEMENT VALUE CONDITIONS

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

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

TEMPORARY REMOVAL CLAUSE

Except in so far as otherwise insured, landlord’s fixtures and fittings are covered while temporarily removed to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi

provided that the amount payable under this clause will not exceed that which would have been payable had the loss occurred on the premises from which the property is temporarily removed.

TENANTS CLAUSE

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

ESCALATOR CLAUSE EXTENSION (if stated in the schedule to be included)

During each period of insurance, the sum(s) insured under sub-section A of this section will be increased by that portion of the percentage specified in the schedule which the number of days since the commencement of such period bears to the whole of such period. Unless agreed otherwise, these provisions will only apply to the sum(s) insured in force at the commencement of the period of insurance.

At each renewal date, You will notify Hollard of the sum(s) to be insured for the forthcoming period of insurance and the percentage increase required for such period. In default thereof, the provisions of this clause will cease to apply.

The additional premium for this extension will be 50% of the premium produced by applying the percentage specified to the annual premium for the sum insured to which this extension applies.

MALICIOUS DAMAGE EXTENSION

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

1. movable property which is
 - (a) stolen
 - (b) damaged in an attempt to remove it or part of it from any premises owned or occupied by You
2. movable or immovable property which is damaged by thieves while breaking into or out of or attempting to break into or out of any premises owned or occupied by You
3. immovable property owned or occupied by You occasioned by or through or in consequence of
 - (a) the removal or partial removal or any attempt thereof of
 - (b) the demolition or partial demolition or any attempt thereof of the said immovable property or any part thereof with the intention of stealing any part thereof

provided that this extension does not cover

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

If Hollard alleges that, by reason of proviso (a), (b), (c) or (d), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

If any building insured or containing Your insured property becomes unoccupied for 30 consecutive days the insurance in respect of this extension is suspended as regards the property affected unless You, obtain the written agreement of Hollard to continue this extension before the occurrence of any damage.

During the period of the initial unoccupancy of 30 consecutive days You will become a co-insurer with Hollard and will bear a proportion of any damage equal to 20% of the claim before deduction of any first amount payable.

RIOT AND STRIKE EXTENSION (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein sub-sections A, B and C of this section are extended to cover loss or damage directly occasioned by or through or in consequence of:

1. civil commotion, labour disturbances, riot, strike or lockout;
2. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (1) above;

provided that this extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage related to or caused by any occurrence referred to in general exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If Hollard alleges that, by reason of proviso (a), (b), (c) or (d), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

SECTION 4

Office contents

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

1. Loss of or damage to the contents (other than documents as defined in sub-section C if insured thereunder and electronic data processing equipment) including landlord's fixtures and fittings Your property or for which You are responsible and, unless otherwise stated in the schedule, to the extent that the same is not otherwise insured, property owned by any partner or director or employee of Yours up to an amount of R5,000 per person while contained in the offices and/or consulting rooms situated as stated in the schedule (hereinafter called the office premises) by any of the perils specified in sub-section A.
2. Loss of or damage to the whole or part of the property insured under item C and defined in sub-section C and the consequences thereof insured under item D and as described in sub-section D.
3. Loss and/or expenditure described in sub-sections B and E.

DEFINITION

Electronic data processing equipment is limited to computers and all related hardware, peripherals and computer software and the information or data stored therein or thereon.

SUB-SECTION A - CONTENTS

1. Fire, lightning, thunderbolt, subterranean fire, explosion.
2. Storm, wind, water, hail or snow excluding loss of or damage to property arising from its undergoing any process necessarily involving the use or application of water.
3. Earthquake but excluding loss of or damage to property in the underground workings of any mine.
4. Aircraft and other aerial devices or articles dropped from them.
5. Impact by animals, trees, aerals, satellite dishes or vehicles excluding damage to such animals, trees, aerals, satellite dishes or vehicles or property in or on such vehicles.
6. Accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture.

LIMITATIONS CLAUSE

Hollard's liability under this sub-section is restricted in respect of documents, manuscripts, business books, plans, designs, patterns, models and moulds to the value of materials and sums expended in labour.

SPECIFIC CONDITIONS

AVERAGE (not applicable to peril 6 above or to the theft or the theft by forcible entry extensions)

If the property insured is, at the commencement of any loss or damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, You will be considered as being Your own insurer for the difference and will bear a rateable share of the loss or damage accordingly. Each item of the schedule covering such property will be separately subject to this condition.

FIRST LOSS AVERAGE (if stated in the schedule to be included)

In respect of the theft or theft by forcible entry extensions only, if, at the time of any loss or damage arising, the total value of the property insured does not exceed the sums stated in the schedule then this insurance will be declared free of average, but if the total value of the property insured will be greater than the aforementioned sums, You will be considered as being Your own insurer for the difference and Hollard will be liable only for such proportion of the first loss sum insured as the aforementioned sums will bear to the total value not exceeding in all the total sum insured by each item.

SPECIFIC EXCEPTION (applicable to sub-section A)

This sub-section does not cover

- (a) property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi
- (b) designs, patterns, models or moulds (except to the extent that the said articles are insured in terms of subsection A), stock in trade, samples, motor vehicles and accessories therefor, money, securities, stamps, jewellery or precious stones
- (c) the first 10% of the indemnifiable amount or R1,000 whichever is greater if the loss or damage is due to lightning strikes.

SUB-SECTION B - RENT

Loss of rent actually incurred by You in consequence of the office premises or portion thereof being so damaged by any of the perils specified in sub-section A as to be rendered uninhabitable, but only in respect of the period necessary for reinstatement. The indemnity under this sub-section will not exceed 25% of the sum insured or value (whichever is the lower) of all contents of the office premises affected.

For the purpose of this sub-section, the term “office premises” will be deemed to extend to any premises or portion thereof in the vicinity of the office premises, damage to which prevents or limits access to the office premises.

SUB-SECTION C - DOCUMENTS

Loss of or damage to documents normally kept at the office premises by any peril not specifically excluded.

DEFINITION

The term documents will mean

films, tapes, addressograph plates, books, records, maps, plans, drawings, abstracts, deeds, wills, mortgages, agreements, manuscripts, letters, certificates, documents and similar written, printed or otherwise inscribed papers and documents used by You in the business and owned by You or for which You are responsible excluding money, current postage or

revenue stamps, cancelled and uncanceled coupons, securities, bearer bonds, cheques, drafts and any written order to pay a sum certain in money and any written evidence of indebtedness

or obligation and all property carried or held as samples or for sale or for delivery after sale and computer software

and computer data carrying media unless otherwise stated in the schedule.

LIMITATIONS CLAUSE

Hollard's liability under this sub-section is limited to all costs, charges and expenses incurred by You in replacing or restoring such documents.

SPECIFIC EXCEPTION (applicable to sub-section C)

This sub-section does not cover

- (a) loss or damage caused by
 - (i) electric or electronic or magnetic injury, disturbance or erasure of electronic or magnetic recordings except by lightning in which case the lightning loss or indemnifiable amount will be reduced by the greater of 10% of such amount and R1,000
 - (ii) vermin or inherent defect or by processing, copying or other work upon the documents
 - (iii) the dishonesty of any principal, partner or director of Yours whether acting alone or in collusion with others. This exception will not apply to any director who is also an employee of Yours and whom You have the right at all times to govern, control and direct in the performance of his work in Your service and in the course of the business
- (b) gradual deterioration or wear and tear
- (c) costs involved in reshooting films and videos and rerecording audio tapes.

SUB-SECTION D - LEGAL LIABILITY DOCUMENTS

Legal liability as a direct consequence of loss of or damage to documents as defined in sub-section C and in respect of which payment, reinstatement or repair has been made or liability admitted by Hollard under sub-section C unless such payment, reinstatement, repair or liability has not been made or admitted solely because You are required to bear the first portion of the loss.

SPECIFIC EXCEPTION (applicable to sub-section D)

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

SUB-SECTION E - INCREASE IN COST OF WORKING

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

The indemnity under this sub-section will not exceed 25% of the sum insured on all contents of the office premises affected.

CLAUSES AND EXTENSIONS

ALTERATIONS AND MISDESCRIPTION CLAUSE

The insurance under this section will not be prejudiced by any alteration or misdescription of occupancy whether due to the transfer of processes or machinery or by virtue of structural alterations, repairs to buildings, machinery or plant, provided that notice is given to Hollard as soon as practicable after such event and You agree to pay additional premium if required.

CAPITAL ADDITIONS CLAUSE

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

FIRE EXTINGUISHING CHARGES CLAUSE

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

LOCKS AND KEYS CLAUSE

In addition to the limit of indemnity stated in the schedule, Hollard will indemnify You in respect of the cost of replacing locks and keys to any insured office premises following upon the disappearance of any key to such premises or following upon You having reason to believe that any unauthorised person may be in possession of a duplicate of such key

provided that

- (i) Hollard's liability will not exceed R2 000 in respect of any one event
- (ii) Hollard will not be liable for the first R200 of each and every event.

NEW AND ADDITIONAL PREMISES CLAUSE

If You occupy offices or consulting rooms other than those situated as stated in the schedule in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi, the insurance by this section will apply as though such offices or consulting rooms were office premises within the meaning of this section provided that

- (i) You will, within a reasonable time of taking occupation, advise Hollard thereof and pay additional premium calculated pro rata from the time of taking occupation until the end of the then current period of insurance
- (ii) this clause will not apply to any loss if and so far as the same is otherwise insured.

REMOVAL OF DEBRIS CLAUSE

The insurance under this section is extended to include such reasonable costs and expenses as may be necessarily incurred by You in respect of the removal of debris following loss of or damage to You property by any peril hereby insured against, provided that the liability of Hollard for such loss or damage and costs and expenses will not exceed in the aggregate the sum expressed in the schedule to be insured on the property affected.

Hollard will not pay for any costs or expenses

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

TEMPORARY REMOVAL CLAUSE

Except in respect of the personal property of any partner, director or employee of Yours, loss of or damage to Your insured property by any peril hereby insured against while such property is temporarily contained in any building in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi will be deemed to be loss or damage happening while such property is contained in the office premises.

TEMPORARY REPAIRS AND MEASURES AFTER LOSS CLAUSE

The insurance under this section is extended to include all reasonable costs and expenses incurred by You in effecting such temporary repairs and by taking such temporary measures as may be reasonably necessary after loss of or damage to Your property by any peril hereby insured against, provided that the liability of Hollard for such loss or damage and costs and expenses will not exceed in the aggregate the sum expressed in the schedule to be insured on the property affected.

TENANTS CLAUSE

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

REPLACEMENT VALUE CONDITION

The basis upon which the amount payable for a claim in respect of contents is calculated will be either the replacement of the contents by similar property in a condition equal to but not better or more extensive than its condition when new or

the repair of the contents to a condition substantially the same as but not better than its condition when new provided that if, at the time of replacement or repair, the sum representing the cost which would have been incurred in replacement if the whole of the contents had been lost, destroyed or damaged beyond repair exceeds the sum insured thereon at the time of the loss or damage, then You will be considered as being your own insurer for the difference and will bear a rateable proportion of the loss accordingly.

MALICIOUS DAMAGE EXTENSION

Subject otherwise to the terms, conditions, exceptions and warranties contained therein, sub-sections A, B and C are extended to cover damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such damage, other than damage to

1. movable property which is
 - (a) stolen
 - (b) damaged in an attempt to remove it or part of it from any premises owned or occupied by You

2. movable or immovable property which is damaged by thieves while breaking into or out of or attempting to break into or out of any premises owned or occupied by You
3. immovable property owned or occupied by You occasioned by or through or in consequence of
 - (a) the removal or partial removal or any attempt thereof
 - (b) the demolition or partial demolition or any attempt thereof
 the said immovable property or any part thereof with the intention of stealing any part thereof

provided that this extension does not cover

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

If Hollard alleges that, by reason of proviso (a), (b), (c), (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

If any building insured or containing Your property becomes unoccupied for 30 consecutive days, the insurance in respect of this extension is suspended as regards the property affected unless You, obtain the written agreement of Hollard to continue this extension, before the occurrence of any damage.

During the period of the initial unoccupancy of 30 consecutive days, You will become a co-insurer with Hollard and will bear a proportion of any damage equal to 20% of the claim before deduction of any Deductible.

RIOT AND STRIKE EXTENSION (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, sub-sections A, B and C of this section are extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;

- (c) loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in general exception 1 (A) (ii), (iii), (iv), (v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If Hollard alleges that, by reason of proviso (a), (b), (c), (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

THEFT BY FORCIBLE ENTRY EXTENSION (if stated in the schedule to be included)

The following peril is added to the perils applicable to sub-section A contents:

- 7. Theft accompanied by forcible and violent entry into or exit from the offices and/or consulting rooms or any attempt thereat or as a result of theft (or any attempt thereat) following violence or threat of violence

provided that

- (i) Hollard will not be liable under this extension for theft or attempted theft by any principal, partner, director or employee of Yours
- (ii) the amount payable will be reduced by the Deductible shown in the schedule for this extension
- (iii) the maximum amount payable will not exceed the sum insured shown in the schedule for this extension less its Deductible.

THEFT EXTENSION (if stated in the schedule to be included)

The following peril is added to the perils applicable to sub-section A contents

- 7. Theft or any attempt thereat other than by any principal, partner, director or employee of Yours

provided that

- (i) the amount payable will be reduced by the Deductible shown in the schedule for this extension
- (ii) the maximum amount payable will not exceed the sum insured shown in the schedule for this extension less its Deductible.

MEMORANDUM

In respect of sub-section D only, General exception 1 is deleted and replaced by the following:

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

SECTION 5

Business interruption

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under:

- (i) the fire section of this policy
- (ii) the buildings combined section of this policy
- (iii) the office contents section of this policy
- (iv) any other material damage insurance covering Your interest

but only in respect of perils insured under the fire section hereof (hereinafter termed Damage).

Liability will be deemed to have been admitted if such payment is precluded solely because You are required to bear the first portion of the loss.

Hollard will indemnify You in accordance with the provisions of the specification hereinafter set out.

SPECIFIC CONDITIONS

1. The insurance under this section will cease if the business is wound up or carried on by a liquidator or judicial manager or is permanently discontinued, except with the written agreement of Hollard.
2. On the happening of any Damage in consequence of which a claim may be made under this section, You will, in addition to complying with general conditions 6 and 7, with due diligence do and concur in doing and permit to be done all things which may be reasonably practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss, and in the event of a claim being made under this section will, not later than 30 days after the expiry of the indemnity period, or within such further time as Hollard may in writing allow, at Your own expense deliver to Hollard in writing a statement setting forth particulars of Your claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting from them. No claim under this section will be payable unless the terms of this specific condition have been complied with and, in the event of non-compliance therewith in any respect, any payment on account of the claim already made will be repaid to Hollard forthwith.

ITEM 1 – GROSS PROFIT (additions basis)

The insurance under this item is limited to loss of gross profit due to

- (a) **reduction in turnover** and
- (b) **increase in cost of working**

and the amount payable as indemnity hereunder will be

- (a) **in respect of reduction in turnover** the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period will, in consequence of the Damage, fall short of the standard turnover
- (b) **in respect of increase in cost of working** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

less any sum saved during the indemnity period in respect of such of Your standing charges as may cease or be reduced in consequence of the Damage, provided that the amount payable will be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 months.

MEMO

If any standing charges of the business are not insured under this section, then in computing the amount recoverable hereunder as increase in cost of working, that proportion only of the additional expenditure will be brought into account which the sum of the net profit and Your standing charges bears to the sum of the net profit and all the standing charges.

ITEM 1 – GROSS PROFIT (difference basis)

The insurance under this item is limited to loss of gross profit due to

- (a) **reduction in turnover** and
- (b) **increase in cost of working**

and the amount payable as indemnity hereunder shall be

- (a) **in respect of reduction in turnover** the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall, in consequence of the Damage, fall short of the standard turnover
- (b) **in respect of increase in cost of working** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross rentals as may cease or be reduced in consequence of the Damage, provided that the amount payable will be proportionately reduced if the sum insured in respect of gross rentals is less than the annual gross rentals where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 months.

ITEM 2 – GROSS RENTALS

The insurance under this item is limited to

- (a) **loss of gross rentals** and
- (b) **increase in cost of working**

and the amount payable as indemnity hereunder will be

- (a) **in respect of loss of gross rentals** the amount by which the gross rentals during the indemnity period will in consequence of the Damage fall short of the standard gross rentals
- (b) **in respect of increase in cost of working** the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of gross rentals which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of the loss of gross rentals thereby avoided

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross rentals as may cease or be reduced in consequence of the Damage, provided that the amount payable will be proportionately reduced if the sum insured in respect of gross rentals is less than the annual gross rentals where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 months.

ITEM 3 – REVENUE

The insurance under this item is limited to

- (a) loss of revenue and
 - (b) increase in cost of working
- and the amount payable as indemnity hereunder will be
- (a) in respect of loss of revenue the amount by which the revenue during the indemnity period will, in consequence of the Damage, fall short of the standard revenue
 - (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which, but for that expenditure, would have taken place during the indemnity period in consequence of the Damage, but not exceeding the amount of loss of revenue thereby avoided

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the Damage, provided that the amount payable will be proportionately reduced if the sum insured in respect of revenue is less than the annual revenue where the maximum indemnity period is 12 months or less, or the appropriate multiple of the annual revenue where the maximum indemnity period exceeds 12 months.

ITEM 4 – ADDITIONAL INCREASE IN COST OF WORKING

The insurance under this item is limited to reasonable additional expenditure (not recoverable under other items) incurred with the consent of Hollard during the indemnity period in consequence of the Damage for the purpose of maintaining the normal operation of the business.

ITEM 5 – WAGES (number of weeks basis)

The insurance under this item is limited to the loss incurred by You by the payment of wages for a period beginning with the occurrence of the Damage and ending not later thereafter than the specified number of weeks.

The amount payable as indemnity under this item will be the actual amount which You will pay as wages for such period to employees whose services cannot, in consequence of the Damage, be utilised by You at all and an equitable part of the wages paid for such period to employees whose services cannot, in consequence of the Damage, be utilised by You to the full

provided that if the sum insured by this item is less than the aggregate amount of the wages that would have been paid during the specified number of weeks immediately following the Damage had the Damage not occurred, the amount payable will be proportionately reduced.

ITEM 6 – FINES AND PENALTIES FOR BREACH OF CONTRACT

The insurance under this item is limited to fines or penalties for breach of contract and the amount payable as indemnity hereunder will be such sum as You will be legally liable to pay and will pay in discharge of fines or penalties incurred solely in consequence of Damage for non-completion or late completion of orders.

DEFINITIONS

INDEMNITY PERIOD

The period beginning with the commencement of the Damage and ending not later than the number of months thereafter stated in the schedule during which the results of the business will be affected in consequence of the Damage.

TURNOVER

The money paid or payable to You for goods sold and delivered and for services rendered in the course of the business at the premises.

REVENUE

The money paid or payable to You for goods sold and for services rendered in the course of the business at the premises.

GROSS RENTALS

The money paid or payable to You by tenants in respect of periodic rental of the premises and for services rendered.

GROSS PROFIT (difference basis)

The amount by which

- (1) the sum of the turnover and the amount of the closing stock

Shall exceed

- (2) the sum of the amount of the opening stock and the amount of the uninsured costs.

The amount of the opening and closing stocks will be arrived at in accordance with Your normal accountancy methods, due provision being made for depreciation.

UNINSURED COSTS

As specified in the schedule (the words and expressions used will have the meaning usually attached to them in Your books and accounts).

GROSS PROFIT (additions basis)

The sum produced by adding to the net profit the amount of Your standing charges or, if there is no net profit, the amount of Your standing charges less such proportion of any net trading loss as Your amount standing charges bears to all the standing charges of the business.

NET PROFIT

The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from Your business at the premises after due provision has been made for all standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

INSURED STANDING CHARGES

As specified in the schedule (the words and expressions used will have the meaning usually given to them in Your books of account).

STANDARD TURNOVER

STANDARD REVENUE

STANDARD GROSS RENTALS

The turnover (revenue) (gross rentals) during that period in the 12 months immediately before the date of the Damage which corresponds with the indemnity period

ANNUAL TURNOVER

Annual revenue

ANNUAL GROSS RENTALS

The turnover (revenue) (gross rentals) during the 12 months immediately before the date of damage.

RATE OF GROSS PROFIT

The rate of gross profit earned on the turnover during the financial year immediately before the date of the Damage

Applicable to (Standard Turnover), Standard Revenue, Standard Gross Rentals, Annual Turnover, Annual Gross Rentals, Rate of Gross Profit.

To which such adjustments will be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the Business either before or after the Damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted will represent as nearly as may be reasonably practicable the results which, but for the Damage, would have been obtained during the relative period after the Damage.

Note: If the Damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms will be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of damage.

MEMO

If, during the indemnity period, goods will be sold or services will be rendered elsewhere than at the premises for the benefit of the business either by You or by others on Your behalf, the money paid or payable in respect of such sales or services will be brought into account in arriving at the turnover, revenue or gross rentals during the indemnity period.

EXTENSIONS AND CLAUSES

ACCOUNTANTS CLAUSE

Any particulars or details contained in Your books of account or other business books or documents which may be required by Hollard under this section for the purpose of investigating or verifying any claim hereunder, may be produced and certified by Your auditors or professional accountants, and their certificate will be prima facie evidence of the particulars and details to which it relates.

ACCUMULATED STOCKS CLAUSE

In adjusting any loss, account will be taken and an equitable allowance made if any shortage in turnover or revenue due to the Damage is postponed by reason of the turnover or revenue being temporarily maintained from accumulated stocks.

DEPARTMENTAL CLAUSE

If the business is conducted in departments or branches, the independent trading results of which are ascertainable, the provisions under items 1 (gross profit), 2 (gross rentals) or 3 (revenue) relating to reduction in turnover/gross rentals/revenue and increase in cost of working, will apply separately to each department or branch affected by the Damage, except that if the sum insured by the relative item is less than the aggregate of the (annual gross rentals) (annual revenue) (sums produced by applying the rate of gross profit) for each department or branch, whether or not affected by the Damage, (to the relative annual turnover thereof) (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12), the amount payable will be proportionately reduced but the limits of insurance will apply in the aggregate to all claims..

DEPOSIT PREMIUM CLAUSE

In consideration of the premium by items 1, 2 or 3 being provisional in that it is calculated on 75% of the sum insured, the premium is subject to adjustment on expiry of each period of insurance as follows In the event of the gross profit/gross rentals/revenue earned (increased proportionately if the number of months referred to in the definition of indemnity period exceeds twelve) during the financial year most nearly concurrent with any period of insurance being less or greater than 75% of the sum insured thereon, a pro rata return or additional premium not exceeding 33 1/3% of the provisional premium paid for such period of insurance will be made in respect of the difference.

In the event of a claim being made under this section, the amount paid or payable thereon will be regarded as actually earned.

OUTPUT (alternative basis) **CLAUSE**

At Your option, the term output may be substituted for the term turnover and, for the purposes of this section, output will mean the sale or transfer value, as shown in Your books, of goods manufactured or processed by You at the premises provided that

- (a) only the meaning of output or the meaning of turnover will be operative in connection with any one event resulting in interruption
- (b) if the meaning of output be used
 - (i) the accumulated stocks clause will be inoperative
 - (ii) the memo at the end of the definitions will read

If, during the indemnity period, goods will be manufactured or processed other than at the premises for the benefit of the business either by You or by others on Your behalf, the sale or transfer of such goods will be brought into account in arriving at the output during the indemnity period.

SALVAGE SALE CLAUSE

If You will hold a salvage sale during the indemnity period clause (a) of item 1 (gross profit) will, for the purposes of such claim, read as follows

- (a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period (less the turnover for the period of the salvage sale) will, in consequence of the Damage, fall short of the standard turnover, from which sum will be deducted the gross profit actually earned during the period of the salvage sale.

EXTENSIONS TO OTHER PREMISES

Loss as insured by this section resulting from interruption of or interference with the business in consequence of Damage (as defined herein) at the undernoted situations or to property as undernoted will be deemed to be loss resulting from Damage to property used by You at the premises.

- (a) **Specified suppliers/sub-contractors** (if stated in the schedule to be included)
The premises of the suppliers and sub-contractors specified in the schedule subject to stated limits.
- (b) **Unspecified suppliers** (if stated in the schedule to be included)
The premises of any other of Your suppliers, manufacturers or processors of components, goods or materials, but excluding the premises of any public supply undertaking from which You obtain electricity, gas or water subject to the limit stated in the schedule.
- (c) **Storage, transit and vehicle**
Your Property while stored or while in transit by air, road, rail or inland waterway or being Your motor vehicles elsewhere than at premises occupied by You.
- (d) **Contract sites**
Any situation not occupied by You where You are carrying out a contract
- (e) **Prevention of access**
Property within a 25 km radius of Your premises, destruction of or damage to which will prevent or hinder the use of the premises or access thereto, whether Your premises or property therein will be damaged or not.

- (f) Prevention of access - extended cover** (if stated in the schedule to be included)
Property within a 25 km radius of the premises, destruction of or damage to which will prevent or hinder the use of the premises or access thereto, whether Your premises or property therein will be damaged or not.
- (g) Additional premises**
In the event of You occupying or having property at any newly added premises for the purpose of the business during the currency of this section, such newly added premises will be deemed to be included in those specified here subject to notification to Hollard as soon as reasonably practicable and to adjustment of the premium if necessary.
- (h) Customers** (if stated in the schedule to be included)
The premises of the customers specified in the schedule subject to stated limits.
- (i) Public utilities - insured perils only** (if stated in the schedule to be included)
Property at electricity generating stations, sub-stations or transmission networks, gasworks including the related gas distribution network, water purification plants, pumping stations, aqueducts and pipelines of an authority empowered by law to supply water, gas or electricity for consumption by the public and which results in an interruption of water, gas or electricity to Your premises.
- (j) Public telecommunications - insured perils only** (if stated in the schedule to be included)
- (i) Property at the premises of any public authority which is empowered by law to supply a telecommunications facility to You
 - (ii) the transmission facilities network of the public authority mentioned in (i).
- (k) Public telecommunications - extended cover** (if stated in the schedule to be included)
Loss as insured resulting from interruption of or interference with the business in consequence of the failure of the public telecommunication facilities to Your premises will be deemed to have resulted from Damage (as defined herein) provided this extension does not cover loss resulting from damage directly or indirectly caused by:
- (i) drought
 - (ii) a fault on any part of the premises belonging to You
 - (iii) a decision by any authority to legally withhold the telecommunication facility from You unless such decision is directly attributable to Damage to property of such authority
 - (iv) any event described in general exception 1 and 2, but cover provided under the Malicious damage extension in the underlying policy is not excluded.
- If the failure of the facility is due to its mechanical or electrical or electronic breakdown, there will be no liability under this extension unless the interruption or interference with Your business extends beyond 24 hours.
- (l) Public utilities - extended cover** (if stated in the schedule to be included)
Loss as insured resulting from interruption of or interference with the business in consequence of total or partial failure of the public supply of water, gas or electricity to Your premises will be deemed to have resulted from Damage (as defined herein) provided that this extension does not cover loss resulting from damage directly or indirectly caused by:
- (i) drought
 - (ii) pollution of water
 - (iii) shortage of fuel or water
 - (iv) a fault on any part of the installation belonging to the premises
 - (v) the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply unless such withholding or restriction is directly attributable to Damage to property of such authority

- (vi) any event described in General exception 1 and 2, but cover provided by the Malicious damage extension in the underlying material damage section of this policy is not excluded.

In respect of interruption of or interference with the business arising from mechanical or electrical or electronic breakdown, there will be no liability under this extension for interruption of or interference with the business unless such interruption or interference extends beyond 24 hours from commencement thereof.

THE GEOGRAPHICAL LIMITS OF

(b), (c), (d), (e), (f), (h), (i) and (j) of the extensions to other premises and the extended covers for public telecommunications and public utilities are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

(g) of the extensions to other premises is confined to the Republic of South Africa and Namibia.

ACCIDENTAL DAMAGE (if stated in the schedule to be included)

The following defined event is added:

“Loss following interruption or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under defined event (i) of the Accidental damage section of this policy (hereinafter termed Damage) provided that:

- (a) the provision under any item of this section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of this defined event
- (b) Hollard will not pay more than the sum insured stated in the schedule of the Accidental damage section for both this section and the Accidental damage section combined.”

SECTION 6

Accounts receivable

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

Loss or damage as a result of accident or misfortune (hereinafter termed Damage) to Your books of account or other business books or records at the premises or at the residence of any director, partner or employee or the premises of any accountant of Yours, in consequence whereof You are unable to trace or establish the outstanding debit balances in whole or part due to it.

provided that the liability of Hollard will not exceed the sums insured stated in the schedule and that the basis of indemnity will be as set out in the specification which forms part of this section.

If, because of imminent danger of their destruction, such books of account or other business books or records are removed to a place of safety, the insurance hereunder will apply if such goods are destroyed, damaged or lost as aforesaid during such removal or while so located or being returned to the premises, provided You will notify Hollard in writing of such removal within 30 days thereafter.

Hollard will also pay all reasonable collection costs and expenses incurred by You in excess of normal collection costs and expenses made necessary because of such Damage.

SPECIFIC EXCEPTIONS

Hollard will not pay for

- (a) loss resulting from loss or damage to the books of account or other business books or records caused by
 - (i) wear and tear or gradual deterioration or moths or vermin
 - (ii) detention, seizure or confiscation by any lawfully constituted authority
 - (iii) electrical or electronic or magnetic injury, disturbances or erasure unless You maintains the duplicate records referred to in the Duplicate records clause of this section, in which case You will be responsible for the first R500 of each and every loss;
- (b) loss caused by fraud or dishonesty of any principal, director, partner or employee of Yours.

SPECIFICATION

The insurance under this section is limited to the loss sustained by You in respect of outstanding debit balances directly due to the Damage and the amount payable will not exceed

- (i) the difference between
 - (a) the outstanding debit balances
 - and
 - (b) the total of the amounts received or traced in respect thereof
- plus

- (ii) the additional expenditure incurred in tracing and establishing customers' debit balances after the Damage

provided that, if the sum insured under this item is less than the outstanding debit balances, the amount payable will be proportionately reduced.

DEFINITIONS

OUTSTANDING DEBIT BALANCES

The total declared in the statement last given under the provisions of the following memorandum adjusted for

- (a) bad debts
- (b) amounts debited (or invoiced but not debited) and credited (including credit notes and cash not passed through the books at the time of the damage) to customers' accounts in the period between the date to which said last statement relates and the date of the Damage and
- (c) any abnormal condition of trade which had or could have had a material effect on the business so that the figures thus adjusted will represent as nearly as reasonably practicable those which would have been obtained at the date of the Damage had the Damage not occurred.

CLAUSES AND MEMORANDA

DECLARATIONS

You will, within 60 days of the end of each month or other agreed period, deposit with Hollard a signed statement showing the total amount outstanding in customers' accounts as set out in Your accounts as at the end of the said month.

ADJUSTMENT

In consideration of the premium under this section being provisional in that it is calculated on 75% of the sum insured, the premium will be adjusted as follows:

On the expiry of each period of insurance, the actual premium will be calculated at the rate% per annum on the average amount insured, i.e. the total of the sums declared divided by the number of declarations. If the actual premium is greater than the provisional premium, You will pay the difference. If it is less, the difference will be repaid to You, but such repayment will not exceed 33,3% of the provisional premium paid.

If the amount of a declaration exceeds the sum insured applicable at the date of such declaration, then for the purposes of this memorandum only, You will be deemed to have declared such sum insured.

RIOT AND STRIKE EXTENSION (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

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

If Hollard alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

ACCOUNTANTS CLAUSE

Any particulars or details contained in Your books of account or other business books or records which may be required by Hollard under this section for the purpose of investigating or verifying any claim hereunder, may be produced and certified by Your auditors or professional accountants, and their certificate will be prima facie evidence of the particulars and details to which it relates.

DUPLICATE RECORDS (if stated in the schedule to be included)

You will maintain duplicates of Your books of account or other business books or records containing details of outstanding balances and such duplicates will be stored at different premises from the originals.

PROTECTIONS (if stated in the schedule to be included)

Your books of account, or other business books or records containing details of outstanding balances, must be kept in a fire-resistant safe, cabinet or strongroom outside business hours unless they are being worked on or are required for immediate reference.

TRANSIT EXTENSION (if stated in the schedule to be included)

The insurance under this section includes loss as defined to Your books of account or other business books or records while in transit to or from the premises or residence of any director, partner, employee or accountant of Yours.

SECTION 7

Theft

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

Loss of or damage to all contents (Your property or for which You are responsible) of any insured building at the insured premises described in the schedule as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence.

EXTENSIONS

1. The insurance under this section extends to cover loss of or damage to the property insured
 - (a) caused or accompanied by
 - (i) a thief or thieves being concealed on Your premises before close of business
 - (ii) entry to and/or exit from the premises being effected by use of a skeleton key or other similar device (excluding a duplicate key) provided that You will establish to the satisfaction of Hollard that such a skeleton key or device was used
 - (b) while in a building at any additional premises used by You provided that
 - (i) such additional premises are advised to Hollard within 30 days from the time the risk attaches to Hollard
 - (ii) an additional premium, if any, is paid
 - (iii) Hollard's liability in respect of this extension will not exceed 50% of the highest amount stated in the schedule applicable to any one premises.
2. In addition to the limit of indemnity stated in the schedule
 - (a) the insurance under this section includes
 - (i) damage to the buildings (including landlord's fixtures and fittings) at Your premises in the course of theft or any attempt thereat
 - (ii) loss of buildings, landlord's fixtures and fittings at Your premises as a result of theft accompanied by forcible and violent entry into or exit from such building or any attempt thereat or as a result of theft, or any attempt thereat, following violence or threat of violence
 - (b) Hollard will reimburse You all reasonable costs and expenses in effecting such temporary repairs and in taking such temporary measures as may be reasonably necessary after loss or damage giving rise to a claim under this section

provided that Hollard's liability will not exceed the greater of R10,000 and the amount stated in the schedule in respect of any one event.

3. In addition to the limit of indemnity stated in the schedule Hollard will indemnify You in respect of the cost of replacing locks and keys to any insured premises following upon the disappearance of any key to such premises or following upon You having reason to believe that any unauthorised person may be in possession of a duplicate of such key provided that
 - (a) Hollard's liability will not exceed R2 000 in respect of any one event
 - (b) Hollard will not be liable for the first R200 of each and every event.
4. The term all contents includes personal effects, tools and bicycles which are Your property or any principal, partner, director or employee of Yours in so far as such property is not otherwise insured up to an amount of R5,000 in the case of any one person.

LIMITATIONS

Hollard's liability in respect of documents, manuscripts, business books, computer system records and media, plans, designs, patterns, models and moulds is restricted to the value of materials and sums expended in labour.

SPECIFIC EXCEPTIONS

Hollard will not be liable for

1. loss or damage which can be insured under a fire policy except in the case of explosion caused in an attempt to effect entry
2. loss or damage insurable under a glass insurance policy
3. property more specifically insured or, unless specified in the schedule, cash, bank and currency notes, cheques, postal orders, money orders, current negotiable stamps and documents or certificates of a negotiable nature
4. loss or damage in which any principal, partner, director or any member of Your household or any of Your employees is concerned as principal or accessory.

SPECIFIC CONDITION

This section will be voidable if the nature of the risk is materially altered without the prior written consent of Hollard.

SECTION 8

Money

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

Loss of or damage to money (as defined) occurring in the Republic of South Africa, Namibia, Lesotho, Botswana, Swaziland, Zimbabwe and Malawi except if otherwise specified

provided that the liability of Hollard for all loss or damage arising from all occurrences of a series consequent upon or attributable to one source or original cause will not exceed the specific limitations stated in the schedule.

DEFINITIONS

Money will mean cash, bank and currency notes, cheques, postal orders, money orders, current negotiable postage, revenue and holiday stamps, credit card vouchers and documents, certificates or other instruments of a negotiable nature, Your property or for which You are responsible.

Receptacle will mean any safe, strongroom, strongbox, till, cash register, cash box or other receptacle for money or any franking machine.

Clothing will mean clothing and personal effects not otherwise insured belonging to You or to any principal, partner, director or employee of Yours.

EXTENSIONS

1. RECEPTACLES AND CLOTHING

In addition to any payment in respect of a defined event, Hollard will indemnify You in respect of receptacles and clothing (as defined) lost or damaged as a result of theft of money or attempted theft of money, provided that Hollard's liability under this extension in respect of clothing will not exceed R2,000, and in respect of receptacles, the amount stated in the schedule or R2,000 whichever is greater.

2. LOCKS AND KEYS

In addition to any payment in respect of a defined event, Hollard will indemnify You in respect of the cost of replacing locks and keys to any receptacle at the insured premises following upon the disappearance of any key to such receptacle or following upon You having reason to believe that any unauthorised person may be in possession of a duplicate of such key

provided that

- (i) Hollard's liability will not exceed R2 000 in respect of any one event
- (ii) Hollard will not be liable for the first R200 of each and every event.

3. **RIOT AND STRIKE EXTENSION** (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with, any occurrence referred to in (i) above;

provided that this extension does not cover

- (a) loss or damage occurring in the Republic of South Africa and Namibia;
- (b) consequential or indirect loss or damage of any kind or description whatsoever;
- (c) loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation;
- (d) loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- (e) loss or damage related to or caused by any occurrence referred to in general exception 1 (A),(ii),(iii),(iv),(v) or (vi) of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with such occurrence.

If Hollard alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

4. **SKELETON KEYS**

The insurance under this section extends to cover loss of or damage to the property insured caused or accompanied by entry to receptacles by use of a skeleton key or other similar device (excluding a duplicate key) provided that You will establish to the satisfaction of Hollard that a skeleton key or device was used.

5. **PERSONAL ACCIDENT (ASSAULT) EXTENSION** (if stated to be included)

The term "defined events" in the money section will be deemed to include bodily injury, caused by accidental, violent external and visible means as a result of theft, or any attempt thereat, to You or to any principal, partner, director or employee of Yours (hereinafter in this extension referred to as such person) while such person is acting in the course of his duties in Your employ

Hollard will pay to You, on behalf of such person or his estate, the sum or sums stated in the schedule in the event of bodily injury to such person resulting within 24 calendar months in

- | | | |
|----|---------------------------------|---|
| 1. | death | the capital sum |
| 2. | permanent disability as follows | the percentage of the capital sum specified |

		PERCENTAGE OF CAPITAL SUM
a	loss by physical separation at or above the wrist or ankle of one or more limbs	100
b	permanent and total loss of	
	whole eye	100
	sight of eye	100
	sight of eye except perception of light	75
c	permanent and total loss of hearing	100
	both ears	25
	one ear	100
d	permanent and total loss of speech	100
e	injuries resulting in permanent total disability from following usual occupation or any other occupation for which such person is fitted by knowledge or training	100
f	loss of four fingers	70
g	loss of thumb	
	both phalanges	25
	one phalanx	10
h	loss of index finger	
	three phalanges	10
	both phalanges	8
	one phalanx	4
i	loss of middle finger	
	three phalanges	6
	both phalanges	4
	one phalanx	2
j	loss of ring finger	
	three phalanges	5
	both phalanges	4
	one phalanx	2
k	loss of little finger	
	three phalanges	4
	both phalanges	3
	one phalanx	2
l	loss of metacarpals	
	first or second (additional)	3
	third, fourth or fifth (additional)	2
m	loss of toes	
	all on one foot	30
	great, both phalanges	5
	great, one phalanx	2
	more than one toe lost, each	2

3. In the case of total and absolute incapacity from following usual business or occupation the weekly sum specified in the schedule will be payable
4. The reasonable expenses incurred, up to the sum specified in the schedule, will be payable in respect of medical, surgical, dental, nursing home or hospital treatment (including the cost of artificial aids and prostheses and the costs and expenses incurred in emergency transportation or freeing such person if trapped or bringing such person to a place of safety) incurred within 24 months of the defined event.

MEMORANDA (applicable to permanent disablement benefits)

- a. Where the injury is not specified Hollard will pay such sum as in its opinion is consistent with the above provisions
- b. Permanent total loss of use of part of the body will be considered as loss of such part
- c. 100% will be the maximum percentage of compensation payable for disability resulting from an accident or series of accidents arising from one cause in respect of any such person provided that
 - (i) Hollard will not be liable to pay in respect of any one such person more than the capital sum plus the sums specified under items 3 and 4;
 - (ii) the sum specified under item 3 will be payable only for the duration of the incapacity of such person and will not be payable for more than 104 weeks and such payment will cease as soon as the injury causing the incapacity has healed as far as is reasonably possible notwithstanding that permanent disability may remain;
 - (iii) compensation payable under item 4 will be reduced by an amount equal to the compensation received or receivable under any workmen's compensation enactment in respect of any treatment for which compensation is payable under item 4;
 - (iv) this extension will not apply to any such person under 15 or over 70 years of age;
 - (v) after suffering bodily injury for which benefit may be payable under this extension, such person will submit to medical examination and undergo any treatment specified. Hollard will not be liable to make any payment unless this proviso is complied with to its satisfaction;
 - (vi) general exception 3 and general conditions 2 and 9 do not apply to this extension;
 - (vii) in respect of this extension only general exception 1 is deleted and replaced by the following:

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

EXTENSIONS TO THE PERSONAL ACCIDENT (assault) extension

1. Bodily injury will be deemed to include injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from such person being the victim of theft or any attempt thereat
2. In the event of disappearance of any such person in circumstances which satisfy Hollard that he has sustained injury to which this personal accident (assault) extension applies and that such injury has resulted in the death of such person, Hollard will, for the purpose of the insurance afforded by this extension, presume his death provided that if, after Hollard will have made payment hereunder in respect of such person's presumed death, he is found to be alive, such payment will forthwith be refunded by You to Hollard.

SPECIFIC EXCEPTIONS

Hollard will not be liable for loss of or damage to money

- (1) arising from dishonesty of any principal, partner, director or person or persons in Your employ not discovered within 14 working days of the occurrence thereof;
- (2) arising from shortage due to error or omission;
- (3) arising from the use of keys to any safe or strongroom unless the keys
 - (a) are obtained by violence or threats of violence to any person
 - (b) are used by the keyholder or some other person with the collusion of the keyholder and You can prove to the satisfaction of Hollard that the keyholder or such other person had used the keys to open the safe or strongroom;
- (4) in an unlocked safe or strongroom while the portion of the premises containing such safe or strongroom is unattended but this exception will not apply if it can be shown to the satisfaction of Hollard that the keyholder to the safe or strongroom deliberately left it unlocked with the intention of allowing the money to be stolen;
- (5) not contained in a locked safe or strongroom while the portion of the premises containing such money is unattended but this exception will not apply if it can be shown to the satisfaction of Hollard that the person(s) responsible for the money deliberately left it outside the safe or strongroom with the intention of allowing it to be stolen;
- (6) in any vehicle being used by You unless a principal, partner, director or employee of Yours are actually in such vehicle or, if not in such vehicle, is within 5 metres of it in a position from which the vehicle is clearly visible. This exception will not apply following an accident involving such vehicle rendering the said person incapacitated.

Specific exceptions (3), (4), (5) and (6) do not apply up to an amount of R3,000 and such losses will not be reduced by any Deductible.

MEMORANDA

1. Loss of or damage to money as insured under this section arising from dishonesty of any principal, partner, director or person in Your employ (such person), as defined under this section, will be subject to the following compulsory Deductible Clause

The amount payable hereunder in respect of an event involving any such person or any number of such persons acting in collusion will be reduced by

- (a) 2% of the applicable limit under defined events plus
 - (b) a further amount of 10% of the nett amount payable after deduction of the 2% specified in (a) above.
2. Hollard will not be liable under this section of the policy in respect of loss or damage arising from any event in respect of which a claim is payable, or would be payable but for any Deductible or co-insured clause under the fidelity section of the policy or any other fidelity insurance.

SPECIAL CONDITIONS APPLICABLE TO CHEQUES

First Amount Payable applicable to theft of cheques

Any loss or series of losses attributable to one original event which is payable under this section and which results from the theft of any cheque or cheques will be reduced by a Deductible of 25% of the loss indemnifiable by this section unless:

1. Cheques drawn by You
 - (a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended procedure for drawing and crossing of cheques" or any other superior method approved by Hollard/s and the printed portion of the cheque (as opposed to the written or typed portion) has been printed by the bank itself or a printer licensed to print cheques by the Automatic Clearing Bureau
or
 - (b) the cheque has been dispatched to the payee by certified post or any post where the security is equal or superior to certified post
2. Cheques drawn by someone other than You and which were received by You by post or directly by the cashier
 - (a) such cheque has been crossed and marked "not negotiable" and marked "not transferable" immediately on receipt thereof by You and
 - (b) You are able to identify the drawer and amount of the cheque from Your records
3. Cheques of which You are the true owner which were drawn by someone other than You and posted to You but not received
 - (a) the cheque has been drawn and crossed exactly in accordance with the undermentioned "Recommended procedure for drawing and crossing of cheques" or any other superior method approved by Hollard/s
or
 - (b) the cheque was dispatched to You by certified post or any post where security is equal or superior to certified post.
or
 - (c) Your invoice (to which the payment by cheque relates) contains a message (approved by Hollard/s) recommending or requiring that the cheque be drawn in accordance with the undermentioned "Recommended procedure for drawing and crossing of cheques".

RECOMMENDED PROCEDURE FOR DRAWING AND CROSSING OF CHEQUES AND PRINTING OF BLANK CHEQUES

A. DRAWING AND CROSSING OF CHEQUES

One of the safest methods of drawing and crossing a cheque which is acceptable to banks is as noted hereunder.

This recommended method is

1. Delete the pre-printed words "or bearer". This limits the possibility of the drawee bank paying out to a

bearer who might not be entitled to payment.

2. If instead of “or bearer” Your cheque has pre-printed on it “or order” these words must also be deleted.
3. Write on the face of the cheque the words “not transferable”.
4. Cross the cheque by drawing two parallel lines across the cheque.
5. Write the words “not negotiable” between the two parallel lines referred to in 4 above.
6. Ensure that the payee is accurately, properly and fully described. For example where the payee is a company, its full name should be used: RH Jones (Pty) Ltd not just RH Jones

Where the bank account number or CC number of the payee is known this should be included after the name of the payee, for example, “RH Jones (Pty) Ltd, Co no: 69/123456” or “RH Jones (Pty) Ltd ABC Bank account no: 123456789”.

While highly recommended it is not compulsory to use the bank account number of the payee.

7. In drawing the cheque no spaces should be left which would allow anyone to add extra words or figures.
8. An example of this method of drawing a cheque is attached as Annexure A.
9. On the front of the cheque the wording listed in Annexure B (last page of this section) should be printed. Please ensure that space is left on the rear of the cheque for bank stamps and endorsements.
10. All the markings on a cheque should be legible and clearly visible. Persons drawing cheques should not use abbreviated or different versions of the terminology used in the example. The words “not neg” and a crossing using a rubber stamp containing a rectangle rather than two parallel lines are worthless.
11. The method used to complete cheques should be one which makes an ink impression on the paper, like handwriting, a typewriter or a dot matrix printer. The ribbon used on the printer/typewriter should be of the type which impregnates the paper with ink. Do not use:
 - (i) old ribbons
 - (ii) laser printers which do not make an impression into the paper
 - (iii) the “reverse printing technique”
 - (iv) correctable type ribbons.

B. PRINTING OF BLANK CHEQUES

Blank cheques should only be printed by the Bank itself or a printer licensed by the Automatic Clearing Bureau.

These printers know the recommended requirements of banks and should only use approved:

- (i) security paper (CBS1 or superior)
- (ii) security designs
- (iii) special security inks compatible with the security paper/design
- (iv) methods which make it difficult for anyone to make a supply of blank cheques by photocopying the originals.

ANNEXURE A - RECOMMENDED CHEQUE

The diagram illustrates a recommended cheque form with the following fields and annotations:

- THE BANK LIMITED**: Issuer name.
- BRANCH NAME, CITY**: Branch details.
- PAY: Dan Smith**: Payee name. Annotation: "Use full correct name of payee".
- THE SUM OF: One Thousand Rand Only**: Amount in words. Annotation: "Leave no gaps".
- R 1,000,00**: Amount in figures. Annotation: "Draw a line after name, amount in words and amount in figures to prevent inclusion of further detail".
- Mr. A Signature**: Signature of the issuer. Annotation: "Leave no gaps".
- +27 11 555 1234**: Contact number.
- 01/01/2010**: Date. Annotation: "Cross out for added protection".
- OR ORDER OR BEARER**: Crossing options. Annotation: "Cross out for added protection".
- Not Negotiable**: Marking across the cheque.
- Not Transferable**: Marking across the cheque.

Additional annotations at the top explain the markings:

- "Provides additional remedies to the owner of the cheque" points to the "Not Negotiable" marking.
- "General crossing requires payments to be made to a bank only" points to the "Not Transferable" marking.
- "Prohibits transfer of the cheque" points to the "Not Transferable" marking.

ANNEXURE B - RECOMMENDED CHEQUE

Warning to be printed on bottom left front of cheque – leaving enough space for the bank stamps etc.

WARNING

To person encashing this cheque or receiving it in exchange for any consideration. Where a cheque has been stolen from or lost by the true owner, you may be liable to reimburse him for his loss if you encash such cheque or receive it in exchange for any consideration (Section 81 of the Bills of Exchange Act, 1964, as amended)

NB – This cheque is crossed and marked “not negotiable” and “not transferable”

SECTION 9

Glass

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

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

Following loss of or damage to glass Hollard will also indemnify You for

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

provided that the liability of Hollard will not exceed

- (i) for the replacement of glass, signwriting and treatment – the sum insured as stated in the schedule applicable to the premises at which loss or damage occurs;
- (ii) for all other costs and expenses provided for by this section and resulting from one occurrence or series of occurrences attributable to one source or original cause – in the aggregate the sum of R2,000.

SPECIFIC CONDITION

AVERAGE

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

DEFINITION OF GLASS

Unless specifically agreed, all glass (other than mirrors) insured by this section is presumed to be plain plate/float glass, whether coated with a film or not, or laminated safety glass as prescribed in terms of the National Building Regulations or similar legislation (as amended).

EXTERNAL GLASS MEANS:

1. external fixed glass forming part of the Premises and any shatter resistant or reflective film affixed to the glass.
2. ceramic tiled shop fronts.

Glass means Internal Glass, External Glass and Specified Glass.

INTERNAL GLASS MEANS:

1. all internal glass, sinks, wash basins and sanitary ware and mirrors (other than hand mirrors) whilst in the Premises; and
2. showcase frames, display cabinets and counter frames whilst in the premises.

but does not include:

1. glass forming part of stock in trade or merchandise;
2. glassware, crystal, crockery or china; or
3. imperfect glass.

SPECIFIC EXCEPTIONS

Hollard will not be liable for

1. loss or damage which is insured by, or would, but for the existence of this section, be insured by any fire insurance, except in respect of any excess beyond the amount which would have been payable under such fire insurance had the insurance under this section not been effected, but this specific exception will not apply to loss or damage for which You are responsible as tenant and not as owner
2. glass forming part of stock in trade
3. glass which, at inception of this insurance, is cracked or broken unless cover has been agreed by Hollard
4. defacement or damage other than fracture through the entire thickness of the glass or any laminate thereof

EXTENSIONS

SPECIAL REPLACEMENT (if stated in the schedule to be included)

If, following loss or damage insured hereunder, You are obliged in terms of the National Building Regulations or similar legislation to replace the damaged glass with glass of a superior quality, then Hollard will be liable for the increased cost of such replacement including (but not limited to) frames therefor, provided that if the cost of so replacing Your whole property (inclusive of other items insured) is greater than the sum insured thereon at the time of the loss or damage, then You will be considered as being his own insurer for the difference and will bear a rateable proportion of the loss or damage accordingly.

RIOT AND STRIKE EXTENSION (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

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

If Hollard alleges that by reason of provisos (a), (b), (c), (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

This extension will only apply to loss or damage for which You are responsible as tenant and not as owner.

SECTION 10

Fidelity

In consideration of the payment of the premium as specified in the General Exceptions Conditions and Provisions, the Company agrees to indemnify the Insured in respect of Defined Events occurring subsequent to the Retroactive Date stated in the Schedule and discovered by the Insured during the Period of Insurance.

DEFINED EVENTS

1. Loss of money and/or other property belonging to the Insured or for which they are responsible, stolen by an Employee (as defined hereafter).
2. Direct financial Loss sustained by the Insured as a result of fraud or dishonesty of an Employee which results in dishonest personal financial gain for the Employee concerned.
3. Loss sustained by the Insured directly caused by Theft by Computer Fraud provided that
 - a) renewal of this insurance from period to period or any extension of any Period of Insurance shall not have the effect of accumulating or increasing the liability of the Company beyond the Sum Insured stated in the Schedule. If the Period of Insurance is less than 12 (twelve) months the Company's liability is limited to the Sum Insured stated in the Schedule for any 12 (twelve) month period calculated from inception or renewal
 - b) the liability of the Company for all Losses shall not exceed the Sum Insured stated in the Schedule whether involving any one Employee or Third Party or any number of Employees or Third Parties acting in collusion or independently of each other and the Limit of Indemnity is the total aggregate amount of the indemnity for which the Company shall be liable during any one Period of Insurance for all legal persons and events insured under this Policy and payment of the total Sum Insured in any one Period of the Insurance by way of indemnity to one or more of such insured persons shall discharge the Company's liability in respect of all insured persons and events under this policy for that Period of Insurance
 - c) where indemnity is provided to the Insured in terms of any insurance superseded by this Policy the liability of the Company shall be limited to only that proportion of the loss which is not payable in terms of the superseded policy
 - d) all acts committed by any one person or in which such person is involved or implicated will be considered one event
 - e) the term dishonest personal financial gain shall not include gain by an Employee in the form of salary, salary increase, fees, commissions, bonuses, promotions or other emoluments.

DEFINITIONS

1. **Employee means**
 - a) any person while employed under a contract of service with or apprenticeship to the Insured
 - b) any person while hired or seconded from any other party into the service of the Insured whom the Insured has the right at all times to govern, control and direct in the performance of work done in the course of the business of the Insured

- c) students volunteers or persons employed on youth training or work experience schemes
- d) any member of the board of trustees of any pension fund, provident fund or benefit fund as defined in the Income Tax Act 1962 established by the Insured for the benefit of Employees referred to in Definition 1. a).

2. **In respect of Defined Event 3 Loss** means actual loss of money or monetary funds or negotiable instruments or corporeal tangible property belonging to the insured or for which the Insured is responsible provided that Loss does not include a loss arising from the avoidance breach cancellation or other termination of a contract the non-payment or other non-performance by a debtor the adverse consequences of a business or trade risk or venture or other speculative enterprise or investment or the provision or receipt or any suretyship or other security.
3. **Theft** means the dishonest appropriation of money monetary funds or property with the intention to steal.
4. **Computer Fraud means** the unlawful making with intent to defraud of a misrepresentation by means of access to or use disclosure processing deletion insertion amendment interception or manipulation of the information data software or systems of the Insured or of any banking institution holding controlling or otherwise dealing with money or property of the Insured or for which the Insured is responsible which is initiated implemented or completed electronically by use of a computer.

EXCEPTIONS

1. The company shall not be liable for
 - (a) loss resulting from or contributed to by any Defined Event by
 - (i) any partner in or of the Insured or by any principal director or member of the Insured unless such partner principal director or member acts in an executive capacity or such principal director or member is also an Employee
 - (ii) any Employee or partner from the time the Insured becomes aware that such Employee or partner has committed any theft fraud or dishonesty
 - (b) any consequential or other indirect losses of any kind following Losses referred to under any Defined Events.
2. The Policy does not cover any company or other legal entity acquired by the Insured during the currency of the policy unless endorsed on the policy.
3. If the Insured is a company close corporation or partnership and any principal shareholder director member or partner thereof is involved or implicated in the Loss the Company shall only be liable to the extent of the shareholding participation membership or other share of the other principals shareholders directors members or partners of the Insured.
4. In respect of Defined Events 1 and 2 the Company shall not be liable for any loss for which indemnity is provided in terms of a Money Insurance Policy held by the Insured except in respect of any amount in excess of the indemnity provided by such policy.
5. In respect of Defined Event 3 the Company shall not be liable for any Loss which is insured or which would be insurable in terms of a Money or Theft Insurance Policy.

CONDITIONS

1. MAINTENANCE OF SYSTEMS AND PROCEDURES

The Insured shall institute and/or maintain and continue to employ in any material manner all such systems of check and control accounting and clerical procedures and methods of conducting his business as has been represented to the Company by the Insured but the Insured may

- a) change the remuneration and conditions of service of any Employee
- b) make any other changes as are approved beforehand in writing by the Insured's auditors.

2. APPORTIONMENT OF RECOVERIES

If the Insured shall sustain any Loss which exceeds the Sum Insured hereunder in respect of such Loss the Insured shall be entitled to all recoveries (except from suretyship insurance reinsurance security or indemnity taken or effected by the Company or for the amount of any deductible) by whomsoever made on account of such Loss until fully reimbursed less the actual cost of effecting the same and any remainder shall be applied to the reimbursement of the Company.

3. CLAIMS

- a) On the discovery of any event which may result in a claim under the Policy the Insured shall at their own expense
 - (i) give notice thereof to the Company as soon as reasonably possible but within a maximum period of 90 (ninety) days and provide particulars of any other insurance covering such events as are hereby insured
 - (ii) as soon as practicable after the event inform the police of any Loss and take all practicable steps to discover the guilty party and to recover the stolen property
 - (iii) as soon as practicable after the event submit to the Company full details in writing of any claim
 - (iv) give the Company such proof information and sworn declarations as the Company may require.
- b) In the event of a claim being rejected and legal action not being commenced within 12 (twelve) months after such rejection all benefit afforded under the Policy in respect of any such claim shall be forfeited
- c) If after the payment of a claim in terms of the Policy the property (the subject matter of the claim) or any part thereof is located the Insured shall render all assistance in the identification and physical recovery of such property if called upon to do so by the Company provided that the Insured's reasonable expenses in rendering such assistance shall be reimbursed by the Company. Should the Insured fail to render assistance in terms of this condition when called upon to do so the Insured shall immediately become liable to repay to the Company all amounts paid in respect of the claim.
- d) When 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.

4. OTHER INSURANCES

It is a condition precedent to the liability of the Company that other than

- a) a Money policy
- b) a policy declared to the Company at inception or renewal of this Policy or at the time a claim is submitted
- c) a pension fund trustee Fidelity Insurance policy
- d) this Policy

no other policy is in force or will be effected during the currency of this Policy to insure against the risks insured hereunder.

CLAUSES AND EXTENSIONS

1. CLAIMS PREPARATION COSTS (if stated in the Schedule to be included)

In addition to the Sum Insured stated in the Schedule the insurance under the Policy is extended to include costs reasonably incurred by the Insured in producing and certifying any particulars or details required by the Company in terms of Condition 3. a) (iii) and (iv) or to substantiate the amount of any claim provided that the liability of the Company for such costs in respect of any one claim shall not exceed the Amount stated in the Schedule.

2. ACCOUNTANTS CLAUSE

Any particulars or details contained in the Insured's books of account or other business books or documents or systems which may be required by the Company for the purpose of investigating or verifying any claim hereunder may be produced and certified by the Insured's auditors or professional accountants and their certificate shall be prima facie evidence of the particulars and details to which it relates.

3. EXTENDED COVER FOR PAST EMPLOYEES

Any person who ceases to be an Employee shall for the purposes of the Policy be considered as being an Employee for a period of 30 (thirty) days after ceasing to be an Employee.

4. COMPULSORY FIRST AMOUNT PAYABLE

The amount payable under the Policy in respect of a Defined Event involving one person or any number of persons acting in collusion shall be reduced by the amount stated in the Schedule which amount shall be borne in full by the Insured and remain uninsured.

5. OPTIONAL REINSTATEMENT OF INSURED AMOUNT EXTENSION (if stated in the Schedule to be included)

The payment by the Company of any loss involving one Employee or Third Party or any number of Employees or Third Parties shall not reduce the Company's liability in respect of any loss involving other Employees or Third Parties provided that

- a) the maximum amount payable by the Company for all Losses shall not exceed double the Sum Insured shown in the Schedule in any Period of Insurance

- b) the Insured pays or agrees to pay the additional premium on the amount of the insured Loss within 30 (thirty) days of receiving payment for such loss calculated in terms of the following formula:

$$\text{Annual premium in force at time of discovery of loss} \times \frac{\text{The amount of the claim paid by the Company}}{\text{Sum insured at time of discovery of loss}}$$

The resultant additional premium shall be adjusted from the date of discovery of the loss for the remaining Period of Insurance in terms of the Company's Reinstatement Premium Scale.

6. COSTS OF RECOVERY EXTENSION (if stated in the Schedule to be included)

If the Insured shall sustain any Loss to which the Policy applies which exceeds the Sum Insured hereunder the Company will in addition to the Sum Insured pay to the Insured costs and expenses not exceeding the Amount stated in the Schedule necessarily incurred with the consent of the Company (which consent shall not unreasonably be withheld) for the recovery or attempted recovery from the Employee or Third Party in regard to whom the claim is made. All amounts recovered to the Insured in excess of the said part of the Loss shall be for the benefit of the Company,

7. EXPENSES INCURRED IN REINSTATING OFFICE RECORDS (if stated in the Schedule to be included)

This Policy is extended to include costs, charges and expenses incurred by the Insured in replacing and/or restoring any computer files data media documents manuscripts business books plans designs specifications or programmes destroyed damaged or lost as a result of Loss insured by this Policy provided that the liability of the Company shall not exceed the amount stated in the Schedule.

8. EXTORTION EXTENSION

If so stated in the Schedule the Defined Event shall include Loss due to the taking by extortion from the Insured of money and/or other property by intentionally and unlawfully subjecting the Insured or any director member partner trustee or Employee of the Insured or a relative of any such person to any threat of physical harm which induces such person to submit to the taking provided that the person threatened has made every reasonable attempt to report the threat to an associate and to the law enforcement authorities at the earliest reasonable opportunity. Provided that this extension shall not entitle the Insured to indemnity in respect of any Loss which is insured or which would be insurable in terms of a Theft or Money or Motor or Marine/Transit Insurance policy or any other more specific insurance covering money or goods.

MEMORANDA

1. In the event of the discovery of any loss resulting from a Defined Event the Insured may notwithstanding anything to the contrary contained in paragraph a) (ii) of Condition 3 refrain from reporting the matter to the police but shall do so immediately if required in terms of any law or by the Company.
2. It is understood and agreed that knowledge of his own fraud or dishonesty or that of others with whom he is in collusion by the person signing the proposal and questionnaire or giving renewal or other instructions shall not prejudice any claim under the Policy.
3. If the Sum Insured or First Amount Payable shall be increased at any time such increased amount shall apply only to Defined Events committed after the date of such increase unless otherwise agreed by the Company in writing.

4. UNIDENTIFIABLE EMPLOYEES

If a loss is alleged to have been caused by the fraud or dishonesty of any of the Employees and the Insured shall be unable to designate the specific Employee or Employees causing the Loss, the Insured's claim in respect of such loss shall not be invalidated by their inability so to do provided the Insured is able to furnish evidence to prove to the reasonable satisfaction of the Company that the loss was in fact due to the fraud or dishonesty of an Employee acting alone or in collusion with others.

SECTION 11

Goods in transit

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

Loss of or damage to the whole or part of the property described in the schedule, owned by You or for which You are responsible, in the course of transit by the means of conveyance or other means incidental thereto and caused by any accident or misfortune not otherwise excluded

provided that:

- (i) You will be responsible for the Deductible stated in the schedule in respect of each and every defined event except a claim resulting from fire, lightning or explosion
- (ii) the liability of Hollard for all loss or damage arising from any one defined event will not exceed the limit of indemnity stated in the schedule.

MEMORANDA

1. Transit will be deemed to commence from the time of moving the property described in the schedule at the consignor's premises (including carrying to any conveyance and loading thereon), continue with transportation to the consignee (including temporary storage not exceeding 96 hours in the course of the journey) and end when off-loaded and delivered at any building or place of storage at the consignee's premises.
2. If any consignee will refuse to accept property consigned, transit will be deemed to continue and the insurance in respect of such property will continue in force until the property is delivered at the premises of the consignor by any means of conveyance, provided that You will take all reasonable steps to ensure that the property is returned as soon as is reasonably possible.
3. Where the means of conveyance is by specified vehicle, the insurance under this section will apply to property on any vehicle temporarily used in place thereof while a specified vehicle is undergoing repair or servicing, which replacement vehicle is not Your property or leased or hired by You under a lease or suspensive sale agreement.
4. In the event of breakdown of the means of conveyance during transit or if, for any reason beyond Your control, the property is endangered, nothing contained herein will debar the utilisation of any other form of transport to assist completion of the transit and the insurance afforded will not be affected thereby.

DEBRIS REMOVAL EXTENSION (if stated in the schedule to be included)

The insurance under this section includes costs necessarily incurred by You in respect of the clearing up and removal of debris following damage to the means of conveyance or to the property thereon, subject to a limit of R5,000 or the limit stated in the schedule, whichever is greater, in respect of any one defined event.

RESTRICTED COVER

FIRE, EXPLOSION, COLLISION, DERAILMENT AND OVERTURNING LIMITATION (if stated in the schedule to be included)

The insurance under this section is limited to loss or damage resulting from fire or explosion or collision or the overturning or derailment of the means of conveyance described in the schedule.

SPECIFIC EXCEPTIONS

Hollard will not be liable for

1. loss or damage resulting from or caused by
 - (a) theft from any unattended vehicle in Your custody or control or any principal, partner, director or employee of Yours unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry to or exit from;
 - (b) inherent vice or defect, vermin, insects, damp, mildew or rust;
 - (c) the dishonesty of any principal, partner, director or employee of Yours whether acting alone or in collusion with others;
 - (d) or arising while in transit by sea or inland transit incidental thereto;
 - (e) breakdown of refrigeration equipment;
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded;
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement of Your insured property unless following an accident or misfortune not otherwise excluded;
4. loss of or damage to
 - (a) cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind;
 - (b) property outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi;
 - (c) property otherwise insured or which would, but for the existence of this section, be insured by any other insurance except in respect of any excess beyond the amount which would have been payable under such other insurance, had the insurance under this section not been effected;
5. consequential loss of any kind, delay, loss of market, depreciation or changes brought about by natural causes.

SPECIFIC EXTENSIONS

1. FIRE EXTINGUISHING CHARGES EXTENSION

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

2. RIOT AND STRIKE EXTENSION (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

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

If Hollard alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

SECTION 12

Business all risks

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

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

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

SPECIFIC EXCEPTIONS

Hollard will not be liable for

1. loss of or damage to property resulting from or caused by
 - (a) theft from any unattended vehicle in Your custody or control or any principal, partner, director or employee of Yours unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry or exit;
 - (b) its undergoing a process of cleaning, repair, dyeing, bleaching, alteration or restoration [damage to property undergoing any process where the Damage results from it being processed];
 - (c) inherent vice or defect, vermin, insects, damp, mildew or rust;
 - (d) the dishonesty of any principal, partner, director or employee of Yours whether acting alone or in collusion with others
2. wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded;
3. mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded;
4. loss of or damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind;
5. loss of or damage to goods consigned under a bill of lading.

SPECIFIC CONDITIONS

AVERAGE

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

REPLACEMENT VALUE CONDITION (if stated in the schedule to be included)

The basis upon which the amount payable is to be calculated will be either

the replacement of the property by similar property in a condition equal to, but not better nor more extensive than, its condition when new

or

the repair of the property to a condition substantially the same as, but not better than, its condition when new

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

SPECIFIC EXTENSIONS

INCREASE IN COST OF WORKING EXTENSION (if stated in the schedule to be included)

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

RIOT AND STRIKE EXTENSION (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover

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

If Hollard alleges that, by reason of provisos (a), (b), (c), (d) or (e), loss or damage is not covered by this section, the burden of proving the contrary will rest on You.

SECTION 13

Accidental damage

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS (I)

Accidental physical loss of or damage to Your property at or about the premises not otherwise insured or for which insurance is available and described (whether incorporated in this policy or not) in terms of any section (other than Business All Risks) listed in the index of this policy.

The amount payable for all loss or damage arising out of one original cause or source will not exceed the sum stated and notwithstanding general condition 2, this section will not be called into contribution for any defined event for which more specific insurance has been arranged.

SPECIFIC EXCEPTIONS

Hollard will not be liable for

- (a) any peril excluded or circumstance precluded from any other insurance available from Hollard at inception hereof or for any excess payable by You under such insurance, or for any reduction of amount payable under any claim due to the application of average
- (b) more than the individual value of any item forming part of a pair, set or collection without regard to any special value such item may have as part of such pair, set or collection
- (c) unexplained disappearance or shortage only revealed during or after an inventory or errors or omissions in receipts, payments or accounting, or misfiling or misplacing of information
- (d) loss of or damage to insured property caused by
 - (i) any fraudulent scheme, trick, device or false pretence practised on You (or any person having custody of Your property) or fraud or the dishonesty of any principal or agent of Yours
 - (ii) overheating, implosion, cracking, fracturing, weld failure, nipple leakage or other failure. This exception applies only to vessels, pipes, tubes or similar apparatus
 - (iii) breakdown, electrical, electronic and/or mechanical derangement
 - (iv) altering, bleaching, cleaning, dyeing, manufacture, repair, restoring, servicing, renovating, testing or any other work thereon [damage to property undergoing any process where the Damage results from it being processed]
 - (v) fault or defect in its design, formula, specification, drawing, plan, materials, workmanship or professional advice, normal maintenance, gradual deterioration, depreciation, corrosion, rust, oxidation or other chemical action or reaction, frost, change in temperature, expansion or humidity, fermentation or germination, dampness, dryness, wet or dry rot, shrinkage, evaporation, loss of weight, contamination, pollution, change in colour, flavour, texture or finish or its own wear and tear
 - (vi) denting, chipping, scratching or cracking not affecting the operation of the item
 - (vii) termites, moths, insects, vermin, inherent vice, fumes, flaws, latent defect, fluctuations in atmospheric or climatic conditions or the action of light
- (e) settlement or bedding down, ground heave or cracking of structures or the removal or weakening of support to any insured property

- (f)
 - (i) loss of or damage to chemicals, oils, liquids, fluids, gases or fumes due to leakage or discharge from its container
 - (ii) loss or damage resulting from leakage or discharge of chemicals, oils, fluids, gases or fumes
- (g) failure of and/or the deliberate withholding and/or lack of supplies of water, steam, gas, electricity, fuel or refrigerant
- (h) collapse of plant and machinery, buildings and structures (other than shelving or storage platforms).

DEFINITION

INSURED PROPERTY

Any tangible property belonging to You or held in trust or on commission for which You are responsible other than

- (a) current coin (including Krugerrands and similar coins), bank and currency notes, travellers and other cheques, money and postal orders, current unused postage, revenue and holiday pay stamps, credit card vouchers, and other certificates, documents or instruments of a negotiable nature
- (b) furs, jewellery, bullion, precious and semi-precious metals and stones, curiosities, rare books and works of art
- (c) property in transit by air, inland waterway or sea
- (d) railway locomotives, rolling stock and other railway property, aircraft, watercraft, mechanically or electrically propelled vehicles, motor cycles, mobile plant, caravans and trailers
- (e) standing or felled trees, crops, animals, land (including topsoil, backfill, drainage and culverts), driveways, pavements, roads, runways, dams, reservoirs, canals, pipelines (external to the premises), tunnels, cables (external to the premises), cableways, bridges, docks, jetties, wharves, piers, excavations, property below the ground or explosives
- (f) electronic data-processing equipment and external data media (punch cards, tape disks and the like) and the information they contain
- (g) property in the course of construction, erection or dismantling including materials or supplies related thereto
- (h) property in the possession of customers under lease, rental, credit or suspensive sale agreements
- (i) glass, china, earthenware, marble and other fragile or brittle objects

unless stated in the schedule to be insured.

DEFINED EVENTS (II) (if stated in the schedule to be included)

Accidental physical loss of or damage to Your insured property caused by discharge or leakage from tanks, pipes or apparatus of chemicals, oils, liquids, fluids, gases or fumes (including loss of such chemicals, oils, liquids, fluids, gases or fumes) other than loss or damage resulting from wear and tear or other gradually operating causes of the tanks, pipes or apparatus.

CLAUSES AND EXTENSIONS

RESTRICTED COVER CLAUSE

The insurance in respect of documents, manuscripts, business books, plans, designs, patterns, models, moulds and

computer system records is limited to the value of the materials and the cost of labour for recreating and excludes any expenses in connection with the production of any information contained therein or the value of such information to You.

ADDITIONAL COSTS CLAUSE

In respect of buildings, plant and machinery insured, the sum insured includes

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

but Hollard will not be liable under (a), (b) or (d) unless the lost or damaged property is replaced or reinstated without undue delay nor under (d) for any expenses in connection with the preparation of Your claim.

Further, Hollard will not be liable under (c) for any costs or expenses

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

MORTGAGEES CLAUSE

From the date of notification, Hollard accepts the interest of a mortgagee or others with an insurable interest in Your insured property and will not prejudice such interest due to the act or omission of the mortgagor without the mortgagee's knowledge, provided that the mortgagee advises Hollard as soon as such act or omission comes to his knowledge and agrees to be responsible for any additional premium resulting from Hollard assuming any increased hazard.

RAILWAY AND OTHER SUBROGATION CLAUSE

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

TENANTS CLAUSE

You will not be prejudiced by the act of any tenant in premises he owns or in which You are a co-tenant or of the owner of any premises of which You are a tenant, provided that Hollard is notified as soon as You become aware of such act and You pay any additional premium resulting from Hollard assuming any additional hazard.

MEMORANDA

1. **AVERAGE** (if stated in the schedule to be included)

If, on the occurrence of an insured event, the value of Your insured property is greater than the sum insured thereon You will be considered Your own insurer for the difference and will bear a rateable proportion of the loss accordingly.

Each item, if more than one, will be separately subject to this memorandum.

2. **EXCLUDED PROPERTY** (if stated in the schedule to be included)

The property listed in the schedule is added to the excluded property in the definition of insured property.

3. **REINSTATEMENT** (if stated in the schedule to be included)

The basis upon which the amount payable will be calculated following an insured event to buildings, plant and machinery will be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to nor more extensive than such insured property when new, provided that

- (a) the work of replacement or reinstatement (which may be carried out on another site and in any manner suitable to Your requirements subject to the liability of Hollard not being thereby increased) must be commenced and carried out with reasonable despatch otherwise no payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section will be made
- (b) Hollard will not be liable for any payment beyond the amount that would have been payable if this memorandum had not been incorporated in this section, until expenditure has been incurred by You in replacing or reinstating the lost or damaged insured property
- (c) if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if Your whole property had been lost or damaged exceeds the sum insured thereon on the occurrence of an insured event, You will be considered Your own insurer for the difference and will bear a rateable share of loss accordingly. Each item, if more than one, to which this memorandum applies will be separately subject to this provision
- (d) this memorandum will not apply if
 - (i) You fail to intimate to Hollard within six months of the insured event or such further time as Hollard may allow in writing Your intention to replace or reinstate the lost or damaged insured property
 - (ii) You are unable or unwilling to replace or reinstate the lost or damaged insured property on the same or another site.

4. **FIRST LOSS AVERAGE** (if stated in the schedule to be included)

If, at the time of any loss or damage arising, the total value of the property described by each item does not exceed the sums stated in the schedule then this insurance will be declared free of average, but if the total value of such property will be greater than the aforementioned sums, You will be considered as being Your own insurer for the difference and Hollard will be liable only for such proportion of the first loss sum insured as the aforementioned sums will bear to the total value not exceeding in all the total sum insured by each item.

SECTION 14

Public liability (claims made basis)

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

Damages which You will become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury), or accidental loss of or physical damage to tangible property (hereinafter termed damage) which occurred in the course of or in connection with the business within the territorial limits and on or after the retroactive date shown in the schedule, and which results in a claim or claims first being made against You in writing during the period of insurance.

THE LIMITS OF INDEMNITY

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

TERRITORIAL LIMITS

Anywhere in the world but not in connection with

- (i) any business carried on by You at or from premises outside
- or
- (ii) any contract for the performance of work outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

SPECIFIC EXCEPTIONS

Hollard will not indemnify You in respect of

1. liability consequent upon injury to any person employed by You under a contract of service or apprenticeship and arising from and in the course of such employment by You
2. damage to
 - (a)
 - (i) property belonging to You
 - (ii) property in Your custody or control or any employee of Yours
 - (b) that part of any property on which You are or has been working if such damage results directly from such work
3. liability consequent upon injury or damage
 - (a) caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at Your direction
 - (b) caused by or through or in connection with Your ownership, possession or use by or on Your behalf of any mechanically propelled vehicle (other than a bicycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft, locomotive or rolling stock, provided that this exception will not relieve Hollard of liability to indemnify You in respect of liability consequent upon injury or damage caused or arising beyond the limits of any carriage-way or thoroughfare in connection with the loading

- or unloading of any vehicle, insofar as such injury or damage is not insured by any other insurance policy
- (c) caused by or through or in connection with
 - (i) the refuelling of aircraft
 - (ii) the ownership, possession, maintenance, operation or use of aircraft or an airline
 - (iii) the ownership, hire or leasing of any airport, airstrip or helicopter pad
- (d) caused by or through or in connection with goods or products (including containers and labels) sold or supplied and happening elsewhere than on premises occupied by You other than food and drink supplied incidentally for consumption on the premises
- (e) occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work

4. 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 agreement (other than under Your own standard conditions of contract) unless liability would have attached to You notwithstanding such agreement
6.
 - (a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this exception will not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence
 - (b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.

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

7. fines, penalties, punitive, exemplary or vindictive damages
8.
 - (a) damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland
 - (b) costs and expenses of litigation recovered by any claimant from You which are not incurred in and recoverable in the area described in 8(a) above
9. any claim arising from an event known to You
 - (a) which is not reported to Hollard in terms of General condition 6
 - (b) prior to inception of this section
10. any claim (in the event of cancellation or non-renewal of this section) not first made in writing against You within the 48-month period (or extended period in respect of minors) as specified in specific condition 2
11. the First Amount Payable

You will be responsible for the first amount payable as stated in the schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause will apply to claims arising from injury and/or damage and will apply to costs and expenses incurred by You.

MEMORANDUM

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

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

SPECIFIC CONDITIONS

1. Any claim first made in writing against You as a result of a defined event reported in terms of General condition 6 (hereinafter termed reported event) will be treated as if it had first been made against You on the same day that You reported the event to Hollard.
2. In the event of cancellation or non-renewal of the policy,
 - (a) any claim resulting from a reported event, first made in writing against You during the 48 months immediately following 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 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant
 - (b) You may report an event in terms of General condition 6 to Hollard for up to 15 days after cancellation or non-renewal, provided
 - (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 preceding cancellation or non-renewal and is subject to the 48-month period specified in 2(a) above.
3. Any series of claims made against You by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source will be treated as if they all had first been made against You
 - (a) on the date that the event was reported by You in terms of General condition 6
 - 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.

EXTENSIONS

EXTENDED REPORTING OPTION

At Your option and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this section, Hollard agrees to extend the period during which You may report an event in terms of General condition 6 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as extended reporting period)

provided that

- (a) this option may only be exercised in the event of Hollard cancelling or refusing to renew this section
- (b) this option must be exercised by You in writing within 30 days of cancellation or non-renewal
- (c) once exercised, the option cannot be cancelled by either You or Hollard

- (d) You have not obtained insurance equal in scope and cover to this section as expiring
- (e) Hollard will only be liable for a defined event which occurred after the retroactive date but prior to date of cancellation or non-renewal
- (f) claims first made against You or any reported event by You during the extended reporting period will be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal
- (g) the total amount payable by Hollard for claims made or reported events during the extended reporting period will not have the effect of increasing the limit of indemnity applicable as on the last day preceding the cancellation or non-renewal
- (h) any claim made, following a reported event during the extended reporting period, which is first made against You in writing more than 48 months after the last day preceding cancellation or non-renewal, will not be subject to indemnification by this extension. If the claimant is a minor, the period of 48 months is extended until the expiry of 12 months after the attainment of majority by the claimant.

ADDITIONAL INSURED

Hollard will also, as though a separate policy had been issued to each, indemnify

- (a) in the event of Your death, any personal representative of Yours in respect of liability incurred by You
- (b) any partner or director or employee of Yours (if You so requests) against any claim for which You are entitled to indemnity under this insurance
- (c) to the extent required by the conditions of any contract (and notwithstanding Specific exception 5), and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by You for the purposes of the business
- (d) in respect of the activities of any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like, belonging to or formed by You for the benefit of Your employees,
 - (i) any officer or member thereof
 - (ii) any visiting sports team or member thereof

provided that

- (1) the aggregate liability of Hollard is not increased beyond the limits of indemnity stated in the schedule
- (2) any person or organisation to which this extension applies is not entitled to indemnity under any other policy
- (3) the indemnity under (a), (b) and (c) applies only in respect of liability for which You would have been entitled to indemnity if the claim had been made against You.

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

SECURITY FIRMS

Notwithstanding specific exception 5, if in terms of a contract with a security firm engaged to protect Your property in the course of Your business stated in the schedule or persons, You become legally liable for the acts or omissions of the employees of the security firm in the course of their employment, then this section includes such legal liability to the

extent that indemnity would have been granted under this section had the said employees been under a contract of service to You and not the security firm, but not exceeding the limit of liability stated in the schedule.

If, at the time of an event giving rise to a claim, the security firm is entitled to indemnity under any other policy in respect of the same event, Hollard will not be liable to make any payment except in respect of any amount above the amount payable under such other policy.

CROSS LIABILITIES

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

TOOL OF TRADE

Specific exception 3(b) will not apply to the operation as a tool of any vehicle or plant forming part of such vehicle or attached thereto, provided that Hollard will not be liable hereunder in respect of so much of any liability as falls within the scope of any form of motor insurance or compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected, nor will Hollard be liable where any other form of motor insurance has been effected by You covering the same liability.

EMPLOYEES' AND VISITORS' PROPERTY

Specific exception 2(a)(ii) will not apply to property belonging to any partner, director or employee of Yours or any visitor to Your premises.

LIABILITY BY AGREEMENT

Notwithstanding the provisions of specific exceptions 2(a)(ii), 3(b) and 5, this section extends to indemnify You

- (a) against liability assumed by You under any contract entered into with or indemnity given to Transnet, government or quasi-government departments, provincial administrations, municipalities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature
- (b) against liability arising from loss of or damage to property belonging to Transnet while in Your custody or control
- (c) in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet while being used by or on Your behalf at any railway siding.

UNATTACHED TRAILERS

Specific exception 3(b) will, as far as it relates to trailers, not apply in respect of any trailer not attached to and not having become unintentionally detached from any mechanically propelled vehicle, provided that Hollard will not be liable hereunder in respect of so much of any liability

- (i) which is insured by or would, but for the existence of this section, be insured by any other policy or policies effected by You
- (ii) as falls within the scope of any compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected.

EMERGENCY MEDICAL EXPENSES

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

CAR PARKS

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

TENANT'S LIABILITY

Specific exceptions 2(a)(ii) and 3(b) of this section will not apply to premises occupied by You as tenant (but not as the owner) thereof.

PRODUCTS LIABILITY (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in specific exception 3(d), Hollard will indemnify You in respect of defined events happening anywhere in the territories stated in the schedule elsewhere than at premises occupied by You, and caused by goods or products (including containers and labels) sold or supplied (including wrongful delivery and delivery of incorrect goods) by You in connection with the business.

The amount payable under this extension, inclusive of any legal costs recoverable from You by a claimant or any number of claimants, and all other costs and expenses incurred with Hollard's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, will not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

ADDITIONAL SPECIFIC EXCEPTIONS (applicable to products liability extension)

This extension does not cover liability

- (i) for the cost of repair, alteration, recall or replacement of the goods or products (including containers and labels) causing injury or damage
- (ii) for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the goods or products (including containers and labels) and any other property essential to such repair, alteration or replacement unless physically damaged by the goods or products
- (iii)
 - (a) arising from defective or faulty design, formula, plan or specification, but if You are a retailer this specific exception (iii) does not apply if Your activities are wholly restricted to sales, distribution and/or marketing (including any marketing advisory service accompanying the products) of the product, and Your activities do not include final preparation which means repackaging, packing, labelling, cleaning or provision of operating instructions prior to sale to Your original customers, nor include any enhancement, amendment or alteration to the product
 - (b) arising from inefficacy or failure to conform to specification, unless such inefficacy or failure is due to negligence in the following of such specification
- (iv) arising from goods or products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft
- (v) in respect of injury or damage happening in the United States of America or Canada caused by or through or in connection with any goods or products sold or supplied by or to Your order, if such goods or products have, to Your knowledge, been exported to the United States of America or Canada by or on Your behalf.

DEFECTIVE WORKMANSHIP LIABILITY (if stated in the schedule to be included)

Specific exceptions 2(b) and 3(e) are deleted.

The amount payable under this extension, inclusive of any legal costs recoverable from You by a claimant or any number of claimants and all other costs and expenses incurred with Hollard's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, will not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

Additional specific exceptions (applicable to defective workmanship liability)

This extension does not cover liability

- (i) for the cost of rectifying or recalling defective work
- (ii) arising from inefficacy of such work or because the work did not produce the result anticipated or claimed
- (iii) arising prior to the handing over of such work
- (iv) arising from defective design
- (v) arising from any work on any aircraft or part thereof.

LEGAL DEFENCE COSTS (if stated in the schedule to be included)

If You so request, Hollard will indemnify any employee, partner or director of Yours against costs and expenses not exceeding the amount stated in the schedule incurred by or on behalf of such person with the consent of Hollard in the defence of any criminal action brought against such person in the course of his occupation with You arising from an alleged contravention of the statutes as herein defined during the period of insurance

provided that

- (i) in the case of an appeal, Hollard will not indemnify such person unless a senior counsel approved by Hollard will advise that such appeal should, in his opinion, succeed
- (ii) Hollard will not indemnify such person in respect of any fine or penalty imposed by any magistrate or judge or any loss consequent thereon
- (iii) such person will, as though he were You, observe, fulfil and be subject to the terms, exceptions and conditions of this policy and this section thereof in so far as they can apply.

EMPLOYEE TO EMPLOYEE EXTENSION (if stated in the schedule to be included)

The indemnity granted will extend at Your option subject to Hollard's agreement (which agreement will not be unreasonably withheld) to any employee of Yourself in respect of his ability to any other employee whilst acting within the scope of his employment by You.

Provided always that:

1. such employee will as if he were the insured, observe, fulfil and be subject to the terms, exclusions and conditions of the policy insofar as they can apply
2. if at the time of any occurrence or claim there is, or but for the existence of this extension there would be, any other insurance or indemnity, in favour of or effected by or on behalf of such employee, applicable to such occurrence or claim, Hollard will not be liable to indemnify the employee in terms of this extension.

THE STATUTES

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

The Mines and Works Act No. 27 of 1956 (as amended),

The Electricity Act No. 41 of 1987 (as amended), and/or any other Act or Ordinance pertaining to the supply of Electricity all as read in conjunction with the Criminal Procedure Act No. 51 of 1977 (as amended).

WRONGFUL ARREST AND DEFAMATION (if stated in the schedule to be included)

The defined events are extended to include damages

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

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

EU LIABILITY (if stated in the schedule to be included)

Subject otherwise to the terms and conditions and limitations, the following changes are made to this section of the policy in respect of "injury" or "damage" (as insured by the products liability extension) which results from goods or products exported to any European Union (EU) country or any European Free Trade Association (EFTA) country.

1. Specific exceptions 8(a) and 8(b) will not apply to damages or costs and expenses of litigation recovered by any claimant in respect of judgments delivered in the first instance in courts of the EU or EFTA
2. In respect of these goods or products (other than raw materials), You will
 - (a) implement and maintain a system in terms of which these goods or products can be clearly identified by batch number or serial number or date stamp or other similar manner
 - (b) note and maintain a record of the date on which the actual goods or products were first put into circulation.

This record will be maintained so as to provide the required detail for a minimum period of 10 years after the goods or products were first put into circulation.

3. The information mentioned in 2, together with all supporting documentation, will be made available to Hollard or Hollard's nominee at any time on request.
4. In respect of this indemnity, You will be responsible for the Deductible shown in the schedule for this extension.

The amount payable under this extension, inclusive of any legal costs recoverable from You by a claimant or any number of claimants and all other costs and expenses incurred with Hollard's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, will not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

SECTION 15

Public liability (occurrence basis)

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

Damages which You will become legally liable to pay consequent upon accidental death of or bodily injury to or illness of any person (hereinafter termed injury), or accidental loss of or physical damage to tangible property (hereinafter termed damage) occurring within the territorial limits during the period of insurance in the course of or in connection with the business.

THE LIMITS OF INDEMNITY

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

TERRITORIAL LIMITS

Anywhere in the world but not in connection with

- (i) any business carried on by You at or from premises outside or
- (ii) any contract for the performance of work outside

the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

SPECIFIC EXCEPTIONS

Hollard will not indemnify You in respect of

1. liability consequent upon injury to any person employed by You under a contract of service or apprenticeship and arising from and in the course of such employment by You
2. damage to
 - (a)
 - (i) property belonging to You
 - (ii) property in Your custody or control or any employee of Yours
 - (b) that part of any property on which You are or has been working if such damage results directly from such work
3. liability consequent upon injury or damage
 - (a) caused by or through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by or at Your direction
 - (b) caused by or through or in connection with the ownership, possession or use by or on Your behalf of any mechanically propelled vehicle (other than a bicycle or lawnmower or any pedestrian controlled garden equipment) or trailer or of any watercraft, locomotive or rolling stock, provided that this exception will not relieve Hollard of liability to indemnify You in respect of liability consequent upon injury or damage caused or arising beyond the limits of any carriage-way or thoroughfare in connection with the loading or unloading of any vehicle, insofar as such injury or damage is not insured by any other insurance policy

- (c) caused by or through or in connection with
 - (i) the refuelling of aircraft
 - (ii) the ownership, possession, maintenance, operation or use of aircraft or an airline
 - (iii) the ownership, hire or leasing of any airport, airstrip or helicopter pad
- (d) caused by or through or in connection with goods or products (including containers and labels) sold or supplied and happening elsewhere than on premises occupied by You other than food and drink supplied incidentally for consumption on the premises
- (e) occurring after the completion and handing over of any work and caused by or through or in connection with any defect or error in or omission from such work
- 4. 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 agreement (other than under Your own standard conditions of contract) unless liability would have attached to You notwithstanding such agreement
- 6.
 - (a) liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this exception will not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence
 - (b) the cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.

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

- 7. fines, penalties, punitive, exemplary or vindictive damages
- 8.
 - (a) damages in respect of judgments delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland
 - (b) costs and expenses of litigation recovered by any claimant from You which are not incurred in and recoverable in the area described in 8(a) above
- 9. the First Amount Payable

You will be responsible for the first amount payable as stated in the schedule in respect of any one claim or number of claims arising from all events of a series consequent upon or attributable to any one source or original cause. The provisions of this clause will apply to claims arising from injury and/or damage and will apply to costs and expenses incurred by You.

MEMORANDUM

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

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

EXTENSIONS

ADDITIONAL INSURED

Hollard will also, as though a separate policy had been issued to each, indemnify

- (a) in the event of Your death, any personal representative of Yours in respect of liability incurred by You
- (b) any partner or director or employee of Yours (if You so requests) against any claim for which You are entitled to indemnity under this insurance
- (c) to the extent required by the conditions of any contract (and notwithstanding Specific exception 5), and in connection with any liability arising from the performance of the contract, any employer named in any contract entered into by You for the purposes of the business
- (d) in respect of the activities of any social or sports club, welfare organisation, first aid, fire or ambulance service, canteen or the like, belonging to or formed by You for the benefit of Your employees,
 - (i) any officer or member thereof
 - (ii) any visiting sports team or member thereof

provided that

- (1) the aggregate liability of Hollard is not increased beyond the limits of indemnity stated in the schedule
- (2) any person or organisation to which this extension applies is not entitled to indemnity under any other policy
- (3) the indemnity under (a), (b) and (c) applies only in respect of liability for which You would have been entitled to indemnity if the claim had been made against You.

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

SECURITY FIRMS

Notwithstanding specific exception 5, if in terms of a contract with a security firm engaged to protect Your property in the course of Your business stated in the schedule or persons, You become legally liable for the acts or omissions of the employees of the security firm in the course of their employment, then this section includes such legal liability to the extent that indemnity would have been granted under this section had the said employees been under a contract of service to You and not the security firm, but not exceeding the limit of liability stated in the schedule.

If, at the time of an event giving rise to a claim, the security firm is entitled to indemnity under any other policy in respect of the same event, Hollard will not be liable to make any payment except in respect of any amount above the amount payable under such other policy.

CROSS LIABILITIES

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

TOOL OF TRADE

Specific exception 3(b) will not apply to the operation as a tool of any vehicle or plant forming part of such vehicle or attached thereto, provided that Hollard will not be liable hereunder in respect of so much of any liability as falls within the scope of any form of motor insurance or compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected, nor will Hollard be liable where any other form of motor insurance has been effected by You covering the same liability.

EMPLOYEES' AND VISITORS' PROPERTY

Specific exception 2(a)(ii) will not apply to property belonging to any partner, director or employee of Yours or any visitor to Your premises.

LIABILITY BY AGREEMENT

Notwithstanding the provisions of specific exceptions 2(a)(ii), 3(b) and 5, this section extends to indemnify You

- (a) against liability assumed by You under any contract entered into with or indemnity given to Transnet, government or quasi-government departments, provincial administrations, municipalities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature
- (b) against liability arising from loss of or damage to property belonging to Transnet while in Your custody or control
- (c) in respect of liability caused by or through or in connection with any vehicle, trailer, locomotive or rolling stock belonging to Transnet while being used by or on Your behalf at any railway siding.

UNATTACHED TRAILERS

Specific exception 3(b) will, as far as it relates to trailers, not apply in respect of any trailer not attached to and not having become unintentionally detached from any mechanically propelled vehicle, provided that Hollard will not be liable hereunder in respect of so much of any liability

- (i) which is insured by or would, but for the existence of this section, be insured by any other policy or policies effected by You
- (ii) as falls within the scope of any compulsory third party insurance legislation, notwithstanding that no such insurance is in force or has been effected.

EMERGENCY MEDICAL EXPENSES

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

CAR PARKS

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

TENANT'S LIABILITY

Specific exceptions 2(a)(ii) and 3(b) of this section will not apply to premises occupied by You as tenant (but not as the owner) thereof.

PRODUCTS LIABILITY (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in specific exception 3(d), Hollard will indemnify You in respect of defined events happening anywhere in the territories stated in the schedule elsewhere than at premises occupied by You, and caused by goods or products (including containers and labels) sold or supplied (including wrongful delivery and delivery of incorrect goods) by You in connection with the business.

The amount payable under this extension, inclusive of any legal costs recoverable from You by a claimant or any number of claimants, and all other costs and expenses incurred with Hollard's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, will not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

EMPLOYEE TO EMPLOYEE EXTENSION (if stated in the schedule to be included)

The indemnity granted will extend at Your option subject to Hollard's agreement (which agreement will not be unreasonably withheld) to any employee of Yourself in respect of his ability to any other employee whilst acting within the scope of his employment by You.

Provided always that:

1. such employee will as if he were the insured, observe, fulfil and be subject to the terms, exclusions and conditions of the policy insofar as they can apply
2. if at the time of any occurrence or claim there is, or but for the existence of this extension there would be, any other insurance or indemnity, in favour of or effected by or on behalf of such employee, applicable to such occurrence or claim, Hollard will not be liable to indemnify the employee in terms of this extension.

ADDITIONAL SPECIFIC EXCEPTIONS (applicable to products liability extension)

This extension does not cover liability

- (i) for the cost of repair, alteration, recall or replacement of the goods or products (including containers and labels) causing injury or damage
- (ii) for the cost of demolition, breaking out, dismantling, delivery, rebuilding, supply and installation of the goods or products (including containers and labels) and any other property essential to such repair, alteration or replacement unless physically damaged by the goods or products
- (iii)
 - (a) arising from defective or faulty design, formula, plan or specification, but if You are a retailer this specific exception (iii) does not apply if Your activities are wholly restricted to sales, distribution and/or marketing (including any marketing advisory service accompanying the products) of the product, and Your activities do not include final preparation which means repackaging, packing, labelling, cleaning or provision of operating instructions prior to sale to Your original customers, nor include any enhancement, amendment or alteration to the product
 - (b) arising from inefficacy or failure to conform to specification, unless such inefficacy or failure is due to negligence in the following of such specification

- (iv) arising from goods or products intended to be installed and installed in, or intended to form part of and forming part of, an aircraft
- (v) in respect of injury or damage happening in the United States of America or Canada caused by or through or in connection with any goods or products sold or supplied by or to Your order, if such goods or products have, to Your knowledge, been exported to the United States of America or Canada by or on Your behalf.

DEFECTIVE WORKMANSHIP LIABILITY (if stated in the schedule to be included)

Specific exceptions 2(b) and 3(e) are deleted.

The amount payable under this extension, inclusive of any legal costs recoverable from You by a claimant or any number of claimants and all other costs and expenses incurred with Hollard's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, will not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

ADDITIONAL SPECIFIC EXCEPTIONS (applicable to defective workmanship liability)

This extension does not cover liability

- (i) for the cost of rectifying or recalling defective work
- (ii) arising from inefficacy of such work or because the work did not produce the result anticipated or claimed
- (iii) arising prior to the handing over of such work
- (iv) arising from defective design
- (v) arising from any work on any aircraft or part thereof.

LEGAL DEFENCE COSTS (if stated in the schedule to be included)

If You so request, Hollard will indemnify any employee, partner or director of Yours against costs and expenses not exceeding the amount stated in the schedule incurred by or on behalf of such person with the consent of Hollard in the defence of any criminal action brought against such person in the course of his occupation with You arising from an alleged contravention of the statutes as herein defined during the period of insurance

provided that

- (i) in the case of an appeal, Hollard will not indemnify such person unless a senior counsel approved by Hollard will advise that such appeal should, in his opinion, succeed
- (ii) Hollard will not indemnify such person in respect of any fine or penalty imposed by any magistrate or judge or any loss consequent thereon
- (iii) such person will, as though he were You, observe, fulfil and be subject to the terms, exceptions and conditions of this policy and this section thereof in so far as they can apply.

THE STATUTES

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

The Mines and Works Act No. 27 of 1956 (as amended),

The Electricity Act No. 41 of 1987 (as amended),

and/or any other Act or Ordinance pertaining to the supply of Electricity

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

WRONGFUL ARREST AND DEFAMATION (if stated in the schedule to be included)

The defined events are extended to include damages

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

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

EU LIABILITY (if stated in the schedule to be included)

Subject otherwise to the terms and conditions and limitations, the following changes are made to this section of the policy in respect of "injury" or "damage" (as insured by the products liability extension) which results from goods or products exported to any European Union (EU) country or any European Free Trade Association (EFTA) country.

1. Specific exceptions 8(a) and 8(b) will not apply to damages or costs and expenses of litigation recovered by any claimant in respect of judgements delivered in the first instance in courts of the EU or EFTA
2. In respect of these goods or products (other than raw materials), You will
 - (a) implement and maintain a system in terms of which these goods or products can be clearly identified by batch number or serial number or date stamp or other similar manner
 - (b) note and maintain a record of the date on which the actual goods or products were first put into circulation.

This record will be maintained so as to provide the required detail for a minimum period of 10 years after the goods or products were first put into circulation.

3. The information mentioned in 2, together with all supporting documentation, will be made available to Hollard or Hollard's nominee at any time on request.
4. In respect of this indemnity, You will be responsible for the Deductible shown in the schedule for this extension.

The amount payable under this extension, inclusive of any legal costs recoverable from You by a claimant or any number of claimants and all other costs and expenses incurred with Hollard's consent, for any one event or series of events with one original cause or source or during any one (annual) period of insurance, will not exceed in the aggregate the limit of indemnity for this extension stated in the schedule.

SECTION 16

Employers' liability

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

Damages which You will become legally liable to pay consequent upon death of or bodily injury to or illness of any person employed under a contract of service or apprenticeship with You, which occurred in the course of and in connection with such person's employment by You within the territorial limits and on or after the retroactive date shown in the schedule, and which results in a claim or claims first being made against You in writing during the period of insurance.

THE LIMIT OF INDEMNITY

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

TERRITORIAL LIMITS

Anywhere in the world but not in connection with

- (i) any business carried on by You at or from premises outside or
- (ii) any contract for the performance of work outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

SPECIFIC EXCEPTIONS

This section does not cover

- (a) liability assumed by You under any contract, undertaking or agreement where such liability would not have attached to You in the absence of such contract, undertaking or agreement
- (b) liability for disease or impairment attributable to a gradually operating cause which does not arise from a sudden and identifiable accident or event
- (c) fines, penalties, punitive, exemplary or vindictive damages
- (d)
 - (i) damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland
 - (ii) costs and expenses of litigation recovered by any claimant from You which are not incurred in and recoverable in the area described in (d)(i) above
- (e) any claim arising from an event known to You
 - (i) which is not reported to Hollard in terms of General condition 6
 - (ii) prior to inception of this section

- (f) any claim (in the event of cancellation or non-renewal of this section) not first made in writing against You within the 48-month period (or extended period in respect of minors) as specified in Specific condition 2.

SPECIFIC CONDITIONS

1. Any claim first made in writing against You as a result of a defined event reported in terms of General condition 6 (hereinafter termed reported event) will be treated as if it had first been made against You on the same day that You reported the event to Hollard.
2. In the event of cancellation or non-renewal of the policy
 - (a) any claim resulting from a reported event, first made in writing against You during the 48 months immediately following 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 48 months will be extended until the expiry of 12 months after the attainment of majority by the claimant.
 - (b) You may report an event in terms of General condition 6 to Hollard for up to 15 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 preceding cancellation or non-renewal and is subject to the 48 month period specified in 2(a) above.
3. Any series of claims made against You by one or more than one claimant during any period of insurance consequent upon one event or series of events with one original cause or source will be treated as if they all had first been made against You.
 - (a) on the date that the event was reported by You in terms of General condition 6
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.

EXTENSIONS

EXTENDED REPORTING OPTION

At Your option and subject to payment of an additional premium to be determined and subject to all the terms, exceptions and conditions of this section, Hollard agrees to extend the period during which You may report an event in terms of General condition 6 for a period to be agreed, but in no circumstances exceeding 36 months (hereinafter referred to as extended reporting period)

provided that

- (a) this option may only be exercised in the event of Hollard cancelling or refusing to renew this section
- (b) this option must be exercised by You in writing within 30 days of cancellation or non-renewal
- (c) once exercised, the option cannot be cancelled by either You or Hollard
- (d) You have not obtained insurance equal in scope and cover to this section as expiring
- (e) Hollard will only be liable for a defined event which occurred after the retroactive date but prior to date of cancellation or non-renewal
- (f) claims first made against You or any reported events by You during the extended reporting period will be treated as if they were first made or reported on the last day preceding the cancellation or non-renewal

- (g) the total amount payable by Hollard for claims made or reported events during the extended reporting period will not have the effect of increasing the limit of indemnity applicable as on the last day preceding the cancellation or non-renewal
- (h) any claim made, following a reported event during the extended reporting period, which is first made against You in writing more than 48 months after the last day preceding cancellation or non-renewal, will not be subject to indemnification by this extension. If the claimant is a minor, the period of 48 months is extended until the expiry of 12 months after the attainment of majority by the claimant.

PRINCIPALS

Where a principal and You are liable for the same damages and where any contract or agreement between a principal and You so requires, Hollard will, notwithstanding the aforementioned Specific exception (a) above, indemnify the principal in like manner to You but only so far as concerns the liability of the principal to an employee as aforementioned for death or bodily injury to or illness of such person resulting from Your negligence or Your employees

provided that

- (a) in the event of a claim in terms of this extension, You will endeavour to arrange with the principal for the conduct and control of all claims to be vested in Hollard
- (b) the principal will, as though they were You fulfil and be subject to the terms, exceptions and conditions (both general and specific) of this policy in so far as they can apply
- (c) the liability of Hollard is not hereby increased.

MEMORANDUM

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

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

SECTION 17

Stated benefits

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

If during the period of insurance an Insured Person sustains bodily injury as the result of an accident which directly and independently of any other cause results, within 24 calendar months, in Death, Disability or the incurring of Medical Expenses Hollard will pay to You or Your legal personal representatives the Compensation stated in the Schedule up to the maximum limits of liability therein.

DEFINITIONS

The following words or phrases will bear the meaning stated below.

“Annual Earnings” means the annual rate of salary or wages and any other allowance of a regular and constant nature paid to You Person at the time of the accident.

“Average Weekly Earnings” will mean one fifty second part of the annual earnings of the insured Person. In respect of casual workers with less than twelve consecutive month’s service with You, prior to the date of loss, the one fifty second part will be calculated by applying the total of all earnings received from You divided by the total number of consecutive weeks service.

“Accident” means a fortuitous unexpected event occurring at an identifiable place and time.

“Bodily Injury” means traumatic bodily injury caused by an accident and will be deemed to include bodily injury caused by starvation, thirst and exposure to the elements as a result of an accidental occurrence.

“Loss” used in reference to limb, hand, thumb, fingers, foot or toes means the loss by physical severance or total and permanent loss of use of such member.

“Permanent Total Disability” means bodily injury resulting in total and absolute disablement preventing the insured Person from following the usual occupation, or any other occupation for which he or she is suited by education or training, for 24 consecutive months and which, at the expiry of that period, is beyond hope of improvement.

“Permanent Partial Disability” means bodily injury which causes a permanent disability but not causing inability to work.

“Temporary Total Disability” means bodily injury temporarily and totally preventing the insured Person from engaging in or giving attention to his or her usual occupation.

“Temporary Partial Disability” means bodily injury temporarily preventing the insured Person from engaging in or giving attention to his or her usual occupation on a 100% full time basis.

“Medical Expenses” means expenses necessarily incurred within 24 months of the date of the accident for medical, surgical, dental, ophthalmic and hospital treatment and emergency travel costs reasonably and necessarily incurred.

PROVISOS

1. Compensation will only be payable under one of the items 1 and 2 of the Table of Benefits.
2. Compensation for Temporary Total Disablement and/or Medical Expenses will be paid in addition to any Compensation paid or payable under Items 1 or 2 of the Table of Benefits.
3. The Compensation specified for Temporary Disability (Partial or Total) will cease as soon as the Bodily Injury causing the incapacity has healed insofar as it is reasonably possible notwithstanding that Permanent Disability may remain but will in any event not be payable for more than the number of weeks stated in the Schedule to this Policy.
4. Any Compensation payable by Hollard for any period of Temporary Total Disability, Temporary Partial Disability or for the reimbursement of Medical Expenses will be reduced by an amount equal to the Compensation received or receivable by or on behalf of the insured Person under the terms of the Compensation for Occupational Injuries and Diseases Act, 1993 for Temporary Disablement (partial or total) for the same or a lesser period and/or in respect of Medical Expenses.
5. Any compensation payable by Hollard for any period of Temporary Disability (partial or total) will not exceed the average weekly earnings by the insured Person at the time of the accident.
6. The combined period for Temporary Total Disability and Temporary Partial Disability benefits will not exceed in total the number of weeks stated in the schedule in respect of Temporary Total Disability.
7. The compensation for Temporary Partial Disability will not exceed 40% of the benefit specified in the schedule for Temporary Total Disability.
8. Where amounts recoverable from Hollard are delayed pending finalisation of any claim, payments on account can be made to You, at Hollard' discretion, on receipt by Hollard of certification by a medical doctor appointed by Hollard.
9. Upon payment of a claim under items 1 to 2.4 (other than 2.2.1) or of 100% under Item 3 of the Schedule of Permanent Disability this policy will be terminated in respect of the insured Person for whom such payment is made.

SCHEDULE OF PERMANENT DISABILITY

The following percentages will be payable in the event of Bodily Injury resulting in:

1	Permanent Total Disability	100%
2	Permanent and total loss of:	
2.1	Speech	100%
2.2	hearing in both ears	100%
2.2.1	hearing in one ear	25%
2.3	one or more limbs at or above the wrist or ankle	100%
2.4	sight in one or both eyes	100%
2.5	four fingers of either hand	70%
2.6	thumb, either hand – both phalanges	30%
2.6.1	one phalanx	15%
2.7	index finger, either hand	
2.7.1	three phalanges	10%
2.7.2	two phalanges	8%
2.7.3	one phalanx	5%
2.8	any other finger, either hand	
2.8.1	three phalanges	6%
2.8.2	two phalanges	4%
2.8.3	one phalanx	2%
2.9	toes	
2.9.1	all on one foot	30%
2.9.2	great, both phalanges	5%
2.9.3	great, one phalanx	3%
2.9.4	other than great, if more than one toe lost – each	1%
3	Permanent Disability not specified herein	a percentage which in the opinion of Hollard is consistent with the above insofar as possible.
	In the event of Compensation being due under more than one of the benefits referred to above as a consequence of any one accident to any one Insured Person the maximum amount payable hereunder will not exceed 100% in total under the Schedule of Permanent Disability Benefits.	

EXTENSIONS

TERRORISM

This policy is extended to cover Accidental Death or Disability of an Insured Person arising from acts of “terrorism” as defined in the Defence Act 1957; provided that Insurers will not be liable to pay any compensation for Death or Disablement arising from:

- a) the performance by such person of obligations in terms of the Defence Act, 1957 or the South African Police Services Act, 1995 at a place from which military or police actions are carried out, or
- b) consequent upon such person’s engagement in military or police actions against an enemy of the Republic, combating “terrorism” as defined in the Defence Act or “operations in defence of the Republic” as defined in the Defence Act, 1957.

DISAPPEARANCE

If after a suitable period of time of the disappearance of an Insured Person it is reasonable to believe that such person has died as a result of bodily injury the Death benefit will be payable provided that if such belief is incorrect such benefit will be repaid to Hollard.

DISFIGUREMENT

The Schedule of Permanent Disability Benefits is hereby extended to include Bodily Injury resulting in permanent disfigurement of:

- i) The head, neck and hands – provided the total area affected exceeds 20% of the total area
- ii) All other areas of the Body – provided the total area affected exceeds 5% of the total area of the Body.

Compensation payable hereunder is a percentage of the compensation in direct proportion to the area affected. The benefits payable in terms of i) and ii) above will apply independently and be cumulative, but the overall liability of Hollard for permanent disfigurement resulting from an accident or series of accidents arising from one cause for any one Insured Person will be limited to 50% (fifty percent) of the amount payable for Permanent Total Disability. Compensation will not be payable under this extension in addition to compensation payable for the same bodily injury under the Schedule of Permanent Disability Benefits.

SPECIAL EXTENSIONS

Subject to an Insured Person suffering accidental bodily injury which is the subject of a valid claim hereunder the following extensions are applicable:

FUNERAL COSTS (applicable in addition to an Insured Death benefit)

Expenses necessarily incurred in preparing and interring or cremating a deceased Insured Person, including the cost of funerary stonework and urns, up to a limit of R15,000 (fifteen thousand Rand).

BODY TRANSPORTATION COSTS (applicable in addition to an Insured Death benefit)

If death takes place at a place further than 100 kilometres from that in which the deceased Insured Person normally resided Hollard will pay the reasonable and necessary costs, up to a limit of R15,000 (fifteen thousand Rand), of returning the body to his/her normal place of residence for burial.

REPATRIATION COSTS (applicable to insured benefits other than death benefit)

In the event of serious accidental bodily injury to an Insured Person, Hollard will pay the reasonable and necessary costs in the repatriation of the insured Person to his normal place of residence, subject to the prior consent of Hollard being obtained. Which consent will not be unreasonably withheld. A limit of R20,000 (twenty thousand Rand) will apply to each Insured Person and a maximum limit of R100,000 per policy in any one 12 month period of insurance.

RELOCATION COSTS

In the event that it is necessary to replace as employee a deceased or permanently disabled Insured Person Hollard will indemnify You for the following costs not exceeding R20,000 (twenty thousand Rand) incurred by You in relation to any one Person who is required to move more than 100 km:

- i) relocation costs for such person, his family, furniture and pets; and
- ii) 75% (seventy five percent) of the actual loss caused following the forced sale of such person's private dwelling subject to such loss being determined by an impartial valuer appointed and paid by Hollard.

EMERGENCY TRANSPORTATION COSTS

In the event of bodily injury sustained at You Person's place of work Hollard will indemnify You for reasonable and necessary costs of emergency transportation to the nearest suitable medical facilities immediately following such accident, subject to a limit of R15,000 (fifteen thousand Rand) per occurrence.

REHABILITATION COSTS

In the event that You demonstrate, to the reasonable satisfaction of Hollard, that an Insured Person has suffered Permanent Disability such that he/she cannot continue to be employed in the occupation in which he or she was employed at the time of the accident but may be retrained by You, or by any registered training centre, Hollard will contribute 80% (eighty percent) of such retraining costs up to a maximum liability of R15,000 (fifteen thousand Rand) per person.

MOBILITY COSTS

In the event that the insured Person suffers Permanent Disability of such a nature that he/she needs, and can operate, a self-powered, climbing wheelchair and/or his/her motor vehicle with the controls suitably adjusted, then Hollard will indemnify the insured Person for 95% (ninety five percent) of the costs of such wheelchair and/or suitable adjustments, including wheelchair loading equipment and alterations to the insured Person's residence if necessary, up to a maximum liability of R15,000 (fifteen thousand Rand) per person.

HIJACKING/ABDUCTION/KIDNAPPING/PIRACY

In the event of the unlawful seizure or wrongful exercise of control of any aircraft or conveyance (including the crew thereof) in which the insured Person is travelling, or the abduction, piracy or kidnapping of the insured Person, the cover in terms of this section of the Policy will continue in force for the duration of such event or 12 months from the date of such event, whichever is less period.

If Temporary Total Disability is insured, Hollard will regard the hijacking, abduction, piracy or kidnapping of an Insured Person as a claim for Temporary Total Disability, provided that:

1. Hollard liability is limited to the period of hijacking, abduction, piracy or kidnapping or eight weeks, whichever is less,
2. no compensation will be payable if any member of the insured Person's immediate family is involved in the hijacking, abduction or kidnapping as a principal or accessory,
3. the maximum liability per event is R20,000 (twenty thousand Rand) and R100,000 (one hundred thousand Rand) per policy in any 12 month period of insurance.

TRAUMA COUNSELLING

In the event of an Insured Person being subjected to an act of violence or a traumatic accident, Hollard will reimburse counselling fees actually incurred by such person as a result of the act of violence or traumatic accident, provided that:

1. the maximum amount payable by Hollard will be R500 (five hundred Rand) per visit and R10,000 (ten thousand Rand) per Insured Person and R100,000 (one hundred thousand Rand) per policy in any one 12 month period of insurance,
2. the act of violence will mean an assault, robbery, rape or armed car hijack,
3. for the purpose of this extension only, Insured Person will include immediate family members of such Insured Person, who are subjected to the same incident or occurrence of violence or traumatic accident as You Person,
4. the act of violence has been reported to the police and a case number obtained.

TERRITORIAL LIMITS

Coverage applied anywhere in the World unless otherwise restricted by an endorsement and/or memorandum to this policy.

OPERATING TIME

Coverage applies 24 hours a day, 7 days a week unless otherwise restricted by an endorsement and/or memorandum to this policy.

EXCLUSIONS

Hollard will not be liable to pay Compensation for Bodily Injury in respect of any Insured Person:

1. caused by such person's suicide, attempted suicide or intentional self-injury or deliberate exposure to obvious risk or injury (unless in an attempt to save human life),
2. whose death or disability is directly or indirectly caused by, arising or resulting from or traceable to any physical defect or infirmity which existed prior to the accident, provided that if the disability of the insured Person is merely aggravated by such pre-existing conditions, Hollard may at its discretion pay an amount which it considers would have been payable but for such aggravation,
3. under 15 or over 70 years of age,
4. while the insured Person is travelling by air other than as a passenger (and a 'passenger' does not include a member of the crew or any person being conveyed for the purpose of any trade or technical operation relating to the aircraft),

5. as a direct result of the insured Person:
 - (a) being under the influence of alcohol, drugs or narcotics unless such drugs or narcotics were administered lawfully by a medical practitioner (other than the insured Person) or unless prescribed by and taken in accordance with the directions of a medical practitioner (other than the insured Person);
 - (b) driving a motor vehicle and having more than the legal limit of alcohol in his/her blood,
6. while participating in any riot, strike, civil commotion, public disorder, or as a result of deliberately committing a criminal offence,
7.
 - (a) arising from war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power, or any events or causes which determine the proclamation or maintenance of martial law,
 - (b) while such Insured Person is on active service with the military, naval, air or police services of any nation,
provided that this Insurance will continue to apply in respect of Accidental Bodily Injury sustained independently of such contingencies.
8. Whose death or disability is directly or indirectly attributable to Human Immunodeficiency Virus (HIV and/or any HIV related illness) or Acquired Immune Deficiency Syndrome (AIDS) including derivatives or variations thereof howsoever caused. The onus of proof will always be upon You to show that death or disability of an Insured Person did not arise through or was not caused by AIDS or HIV,
9. while participating in sport as a professional player, hang gliding or microlighting.
10. Whose occupation involves underground mining or tunnelling or involving the use or handling of explosives or explosive devices.

WARRANTY

It is hereby warranted that to the best of Your knowledge and belief, all Insured Persons are at the inception of each period of insurance in good health and are not suffering from any physical or mental defect or infirmity which might give rise to a claim under this section.

CONDITIONS

1. This section of the Policy is not assignable. Compensation will be payable only to You whose receipt will effectually discharge Hollard. No Insured Person will have any right against Hollard.
2. No sum under this Policy will carry interest.
3. You will give notice to Hollard within a reasonable time of any material change in the Business or an Insured Person's occupation and will pay any additional premium required by Hollard in consequence thereof.
4. Notice must be given to Hollard in writing on the prescribed claim form as soon as practicable within three calendar months of any occurrence which may give rise to a claim under this section but notice of death must be given forthwith and Hollard will have the right to have a post mortem examination of the body.

All certificates, information and evidence required by Hollard will be furnished without expense to Hollard within 30 days of Hollard notifying You of their requirements.

After incurring Bodily Injury for which Compensation may be payable under this Policy, the insured Person will, when reasonably required by Hollard so to do, submit to medical examination on behalf of and at the expense of Hollard and undergo any treatment specified. Hollard will not be liable to make payment unless this Condition is complied with to their satisfaction.

Qualified medical advice will be sought and followed promptly on the occurrence of any Bodily Injury and Hollard will not be liable for any part of any claim which in the opinion of their medical adviser arises from the unreasonable or wilful neglect or failure of an Insured Person to seek and remain under the care of a qualified member of the medical profession.

5. If any difference will arise as to the amount to be paid under this section (liability being otherwise admitted) such difference will be referred to arbitration in accordance with the statutory provisions for the time being in force and the making of an award will be a condition precedent to any liability for Hollard to make any payment under this section.
6. In the event of Hollard disclaiming liability in respect of any claim and an action or suit not being commenced within twelve months after such disclaimer or, in the case of an arbitration taking place, within twelve months after the Arbitrator will have made his award, all benefits under this section in respect of such claim will be forfeited.
7. If any claim under this Policy be in any respect fraudulent or intentionally exaggerated or if any fraudulent means or devices are used by You or Insured Person or anyone acting on his or her behalf to obtain any benefit under this Policy all benefit thereunder will be forfeited.
8. If the Premium is calculated on estimates supplied by You an accurate record containing all relevant particulars must be maintained by You to which Hollard will have the right to access. You will furnish such information within one month of the expiry of each Period of Insurance and the Premium will be adjusted accordingly.
 - 8.1 The estimates and declaration of total wages, earnings or salaries on which the premium hereunder is based will include all items of remuneration which fall under the definition of "Annual Earnings" within this policy.
 - 8.2 In the event that such allowance are not included in the estimated or declared earnings these amounts will not be included in the computation of any claim.
9. This Policy will be governed by the laws of the Republic of South Africa, whose courts will have jurisdiction in any dispute arising hereunder.

SICKNESS EXTENSION (Only applicable if stated in the Schedule to be included)

This section is extended to cover Temporary Total Disability of the insured Person caused by sickness or disease of the body contracted and commencing after the inception of this cover.

PROVISOS

All terms, conditions, provisions and exceptions of the Policy will apply to this Extension.

EXCLUSIONS

No Compensation will be payable under this extension:

1. in respect of sickness or disease for which the insured Person had received treatment, or medical advice, prior to the inception of this section,

2. for sickness manifesting itself within the first 30 (thirty) days after the inception of this cover,
3. for the first 30 (thirty) days of any period of disablement following sickness,
4. in respect of any Insured Person who has attained the age of 65 years,
5. in respect of:
 - i) venereal or other socially transmitted diseases.
 - ii) congenital abnormalities and conditions arising out of or resulting from them,
 - iii) any mental and/or nervous disorders, or any like condition arising from or attributable to stress or stress-related situations.

SERIOUS ILLNESS EXTENSION (Only applicable if stated in the Schedule to be included)

Should an Insured Person be diagnosed during the Period of Insurance as suffering from a Serious Illness, symptoms of which were not present in such Insured Person up to 12 (twelve) months before inception of this Extension to the Policy, Hollard will pay the compensation as stated in the Schedule to this Policy up to a maximum amount of R150,000 (one hundred and fifty thousand Rand) per Insured Person.

DEFINITIONS

Serious illness means any of the following:

- a. **Heart Attack** – The death of a significant portion of the heart muscle due to inadequate blood supply to the relevant area. The diagnosis will include the following criteria:
 1. a history of typical chest pain;
 2. new ECG changes; and
 3. elevation of cardiac enzymes.
- b. **Chronic Coronary Heart Disease** – Open bypass surgery or open surgical treatment of coronary disease. This excludes angioplasty and any other intra-arterial procedures.
- c. **Stroke** – Any cerebrovascular occurrence or accident which produces significant neurological sequelae lasting more than 24 successive hours and including infarction of brain tissue, haemorrhage, and embolism from an extracranial source. Evidence of disabling permanent neurological deficit must be produced.
- d. **Cancer** – A disease manifested by the presence of a malignant tumour characterised by the uncontrolled growth and spread of malignant cells, and the invasion of normal surrounding tissue. All cancers diagnosed and treated by primary biopsy only, that is, not requiring any further surgical, medical (chemotherapy, and the like) or radio therapy, or other modalities are excluded.

The term “Cancer” also includes Leukaemia and Hodgkin’s Disease but excludes:

1. All skin cancers;
 2. Cancer-in-situ, including melanoma-in-situ.
- e. **Kidney Failure** – End stage renal failure presenting as chronic irreversible failure of both kidneys to function, as a result of which regular renal dialysis must be instituted.

- f. Major Organ Transplant** – The human to human organ transplant from a donor to You Person of one or more of the following organs:
Kidney, Heart, Lung, Pancreas or Bone Marrow. The transplantation of all other organs, parts of organs, or any other tissue transplant is excluded.
- g. Paraplegia** – The total and irreversible loss of the use of both legs or both arms.

Diagnosed means – Diagnosis by a registered medical practitioner, supported by clinical, radiological, histological and laboratory evidence, acceptable to Hollard.

Insured Person means – The person or persons specified in the schedule.

PROVISOS

1. Hollard will be obliged to compensate an Insured Person only once under this Extension to the Policy. Should an Insured Person be paid Compensation for a Serious Illness, that Insured Person's cover under this Extension lapses and cannot be reinstated.
2. An Insured Person who has been paid Compensation under the Schedule of Permanent Disability Benefits for bodily injury will not be entitled to Compensation under this Extension for the same bodily injury or disability.
3. All the terms, conditions, provisions and exceptions of the Policy will apply to this Extension.

EXCLUSIONS

Hollard will not be liable to pay Compensation for a Serious Illness diagnosed in respect of any Insured Person

1. under 18 or over 65 years of age
2. where the illness is as a result of the influence of alcohol, drugs or narcotics upon an Insured Person unless such drugs or narcotics were administered by a member of the medical profession (other than the insured Person) or unless prescribed by and taken in accordance with the directions of a member of the medical profession (other than the insured Person)
3. where the illness is directly or indirectly attributable to Human Immunodeficiency Virus (HIV and/or any HIV related illness) or Acquired Immune Deficiency Syndrome (AIDS) including derivatives or variations thereof howsoever caused. The onus of proof will always be upon You to show that a Serious Illness did not arise through or was not caused by AIDS or HIV,
4. where the illness is attributable to venereal or other socially transmitted diseases,
5. where You Person does not survive for more than 30 days after the diagnosis.

SECTION 18

Personal accident insurance

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

DEFINED EVENTS

If during the period of insurance an Insured Person sustains bodily injury as the result of an accident which directly and independently of any other cause results, within 24 calendar months, in Death, Disability or the incurring of Medical Expenses Hollard will pay to You or Your legal personal representatives the Compensation stated in the Schedule up to the maximum limits of liability therein.

DEFINITIONS

The following words or phrases will bear the meaning stated below.

“Annual Earnings” means the annual rate of salary or wages and any other allowance of a regular and constant nature paid to the insured Person at the time of the accident.

“Average Weekly Earnings” will mean one fifty second part of the annual earnings of the insured Person. In respect of casual workers with less than twelve consecutive month’s service with You, prior to the date of loss, the one fifty second part will be calculated by applying the total of all earnings received from You divided by the total number of consecutive weeks’ service.

“Accident” means a fortuitous unexpected event occurring at an identifiable place and time.

“Bodily Injury” means traumatic bodily injury caused by an accident and will be deemed to include bodily injury caused by starvation, thirst and exposure to the elements as a result of an accidental occurrence.

“Loss” used in reference to limb, hand, thumb, fingers, foot or toes means the loss by physical severance or total and permanent loss of use of such member.

“Permanent Total Disability” means bodily injury resulting in total and absolute disablement preventing the insured Person from following the usual occupation, or any other occupation for which he or she is suited by education or training, for 24 consecutive months and which, at the expiry of that period, is beyond hope of improvement.

“Permanent Partial Disability” means bodily injury which causes a permanent disability but not causing inability to work.

“Temporary Total Disability” means bodily injury temporarily and totally preventing the insured Person from engaging in or giving attention to his or her usual occupation.

“Temporary Partial Disability” means bodily injury temporarily preventing the insured Person from engaging in or giving attention to his or her usual occupation on a 100% full time basis.

“Medical Expenses” means expenses necessarily incurred within 24 months of the date of the accident for medical, surgical, dental, ophthalmic and hospital treatment and emergency travel costs reasonably and necessarily incurred.

PROVISOS

1. Compensation will only be payable under one of the items 1 and 2 of the Table of Benefits.
2. Compensation for Temporary Total Disablement and/or Medical Expenses will be paid in addition to any Compensation paid or payable under Items 1 or 2 of the Table of Benefits.
3. The Compensation specified for Temporary Disability (Partial or Total) will cease as soon as the Bodily Injury causing the incapacity has healed insofar as it is reasonably possible notwithstanding that Permanent Disability may remain but will in any event not be payable for more than the number of weeks stated in the Schedule to this Policy.
4. Any Compensation payable by Hollard for any period of Temporary Total Disability, Temporary Partial Disability or for the reimbursement of Medical Expenses will be reduced by an amount equal to the Compensation received or receivable by or on behalf of the insured Person under the terms of the Compensation for Occupational Injuries and Diseases Act, 1993 for Temporary Disablement (partial or total) for the same or a lesser period and/or in respect of Medical Expenses.
5. Any compensation payable by Hollard for any period of Temporary Disability (partial or total) will not exceed the average weekly earnings by the insured Person at the time of the accident.
6. The combined period for Temporary Total Disability and Temporary Partial Disability benefits will not exceed in total the number of weeks stated in the schedule in respect of Temporary Total Disability.
7. The compensation for Temporary Partial Disability will not exceed 40% of the benefit specified in the schedule for Temporary Total Disability.
8. Where amounts recoverable from Hollard are delayed pending finalisation of any claim, payments on account can be made to You, at Hollard' discretion, on receipt by Hollard of certification by a medical doctor appointed by Hollard.
9. Upon payment of a claim under items 1 to 2.4 (other than 2.2.1) or of 100% under Item 3 of the Schedule of Permanent Disability this policy will be terminated in respect of the insured Person for whom such payment is made.

SCHEDULE OF PERMANENT DISABILITY

The following percentages will be payable in the event of Bodily Injury resulting in::

1	Permanent Total Disability	100%
2	Permanent and total loss of:	
2.1	Speech	100%
2.2	hearing in both ears	100%
2.2.1	hearing in one ear	25%
2.3	one or more limbs at or above the wrist or ankle	100%
2.4	sight in one or both eyes	100%
2.5	four fingers of either hand	70%
2.6	thumb, either hand – both phalanges	30%
2.6.1	one phalanx	15%
2.7	index finger, either hand	
2.7.1	three phalanges	10%
2.7.2	two phalanges	8%
2.7.3	one phalanx	5%
2.8	any other finger, either hand	
2.8.1	three phalanges	6%
2.8.2	two phalanges	4%
2.8.3	one phalanx	2%
2.9	toes	
2.9.1	all on one foot	30%
2.9.2	great, both phalanges	5%
2.9.3	great, one phalanx	3%
2.9.4	other than great, if more than one toe lost – each	1%
3	Permanent Disability not specified herein	a percentage which in the opinion of Hollard is consistent with the above insofar as possible.
	In the event of Compensation being due under more than one of the benefits referred to above as a consequence of any one accident to any one Insured Person the maximum amount payable hereunder will not exceed 100% in total under the Schedule of Permanent Disability Benefits.	

EXTENSIONS

TERRORISM

This policy is extended to cover Accidental Death or Disability of an Insured Person arising from acts of “terrorism” as defined in the Defence Act 1957; provided that Insurers will not be liable to pay any compensation for Death or Disablement arising from:

- a) the performance by such person of obligations in terms of the Defence Act, 1957 or the South African Police Services Act, 1995 at a place from which military or police actions are carried out, or
- b) consequent upon such person’s engagement in military or police actions against an enemy of the Republic, combating “terrorism” as defined in the Defence Act or “operations in defence of the Republic” as defined in the Defence Act, 1957.

DISAPPEARANCE

If after a suitable period of time of the disappearance of an Insured Person it is reasonable to believe that such person has died as a result of bodily injury the Death benefit will be payable provided that if such belief is incorrect such benefit will be repaid to Hollard.

DISFIGUREMENT

The Schedule of Permanent Disability Benefits is hereby extended to include Bodily Injury resulting in permanent disfigurement of:

- i) The head, neck and hands – provided the total area affected exceeds 20% of the total area
- ii) All other areas of the Body – provided the Compensation total area affected exceeds 5% of the total area of the Body.

Compensation payable hereunder is a percentage of the compensation in direct proportion to the area affected. The benefits payable in terms of i) and ii) above will apply independently and be cumulative, but the overall liability of Hollard for permanent disfigurement resulting from an accident or series of accidents arising from one cause for any one Insured Person will be limited to 50% (fifty percent) of the amount payable for Permanent Total Disability. Compensation will not be payable under this extension in addition to compensation payable for the same bodily injury under the Schedule of Permanent Disability Benefits.

SPECIAL EXTENSIONS

Subject to an Insured Person suffering accidental bodily injury which is the subject of a valid claim hereunder the following extensions are applicable:

FUNERAL COSTS (applicable in addition to an Insured Death benefit)

Expenses necessarily incurred in preparing and interring or cremating a deceased Insured Person, including the cost of funerary stonework and urns, up to a limit of R15,000 (fifteen thousand Rand).

BODY TRANSPORTATION COSTS (applicable in addition to an Insured Death benefit)

If death takes place at a place further than 100 kilometres from that in which the deceased Insured Person normally resided Hollard will pay the reasonable and necessary costs, up to a limit of R15,000 (fifteen thousand Rand), of returning the body to his/her normal place of residence for burial.

REPATRIATION COSTS (applicable to insured benefits other than death benefit)

In the event of serious accidental bodily injury to an Insured Person, Hollard will pay the reasonable and necessary costs in the repatriation of the insured Person to his normal place of residence, subject to the prior consent of Hollard being obtained. Which consent will not be unreasonably withheld. A limit of R20,000 (twenty thousand Rand) will apply to each Insured Person and a maximum limit of R100,000 per policy in any one 12 month period of insurance.

RELOCATION COSTS

In the event that it is necessary to replace as employee a deceased or permanently disabled Insured Person Hollard will indemnify You for the following costs not exceeding R20,000 (twenty thousand Rand) incurred by You in relation to any one Person who is required to move more than 100 km:

- i) relocation costs for such person, his family, furniture and pets; and
- ii) 75% (seventy five percent) of the actual loss caused following the forced sale of such person's private dwelling subject to such loss being determined by an impartial valuer appointed and paid by Hollard.

EMERGENCY TRANSPORTATION COSTS

In the event of bodily injury sustained at the insured Person's place of work Hollard will indemnify You for reasonable and necessary costs of emergency transportation to the nearest suitable medical facilities immediately following such accident, subject to a limit of R15,000 (fifteen thousand Rand) per occurrence.

REHABILITATION COSTS

In the event that You demonstrate, to the reasonable satisfaction of Hollard, that an Insured Person has suffered Permanent Disability such that he/she cannot continue to be employed in the occupation in which he or she was employed at the time of the accident but may be retained by You, or by any registered training centre, Hollard will contribute 80% (eighty percent) of such retraining costs up to a maximum liability of R15,000 (fifteen thousand Rand) per person.

MOBILITY COSTS

In the event that the insured Person suffers Permanent Disability of such a nature that he/she needs, and can operate, a self-powered, climbing wheelchair and/or his/her motor vehicle with the controls suitably adjusted, then Hollard will indemnify the insured Person for 95% (ninety five percent) of the costs of such wheelchair and/or suitable adjustments, including wheelchair loading equipment and alterations to the insured Person's residence if necessary, up to a maximum liability of R15,000 (fifteen thousand Rand) per person.

HIJACKING/ABDUCTION/KIDNAPPING/PIRACY

In the event of the unlawful seizure or wrongful exercise of control of any aircraft or conveyance (including the crew thereof) in which You Person is travelling, or the abduction, piracy or kidnapping of the insured Person, the cover in terms of the Temporary Total Disability section of this Policy will continue in force for the duration of such event or 12 months from the date of such event, whichever is less period.

If Temporary Total Disability is insured, Hollard will regard the hijacking, abduction, piracy or kidnapping of an Insured Person as a claim for Temporary Total Disability, provided that:

1. Hollard's liability is limited to the period of hijacking, abduction, piracy or kidnapping or eight weeks, whichever is less,

2. no compensation will be payable if any member of the insured Person's immediate family is involved in the hijacking, abduction or kidnapping as a principal or accessory,
3. the maximum liability per event is R20,000 (twenty thousand Rand) and R100,000 (one hundred thousand Rand) per policy in any 12 month period of insurance.

TRAUMA COUNSELLING

In the event of an Insured Person being subjected to an act of violence or a traumatic accident, Hollard will reimburse counselling fees actually incurred by such person as a result of the act of violence or traumatic accident, provided that:

1. the maximum amount payable by Hollard will be R500 (five hundred Rand) per visit and R10,000 (ten thousand Rand) per Insured Person and R100,000 (one hundred thousand Rand) per policy in any one 12 month period of insurance,
2. the act of violence will mean an assault, robbery, rape or armed car hijack,
3. for the purpose of this extension only, Insured Person will include immediate family members of such Insured Person, who are subjected to the same incident or occurrence of violence or traumatic accident as You Person,
4. the act of violence has been reported to the police and a case number obtained.

TERRITORIAL LIMITS

Coverage applied anywhere in the World unless otherwise restricted by an endorsement and/or memorandum to this policy.

OPERATING TIME

Coverage applies 24 hours a day, 7 days a week unless otherwise restricted by an endorsement and/or memorandum to this policy.

EXCLUSIONS

Hollard will not be liable to pay Compensation for Bodily Injury in respect of any Insured Person:

1. caused by such person's suicide, attempted suicide or intentional self-injury or deliberate exposure to obvious risk or injury (unless in an attempt to save human life),
2. whose death or disability is directly or indirectly caused by, arising or resulting from or traceable to any physical defect or infirmity which existed prior to the accident, provided that if the disability of the insured Person is merely aggravated by such pre-existing conditions, Hollard may in its discretion pay an amount which it considers would have been payable but for such aggravation,
3. under 15 or over 70 years of age,
4. while the insured Person is travelling by air other than as a passenger (and a 'passenger' does not include a member of the crew or any person being conveyed for the purpose of any trade or technical operation relating to the aircraft),
5. as a direct result of the insured Person:

- (a) being under the influence of alcohol, drugs or narcotics unless such drugs or narcotics were administered lawfully by a medical practitioner (other than the insured Person) or unless prescribed by and taken in accordance with the directions of a medical practitioner (other than the insured Person);
 - (b) driving a motor vehicle and having more than the legal limit of alcohol in his/her blood,
6. while participating in any riot, strike, civil commotion, public disorder, or as a result of deliberately committing a criminal offence,
7. (a) arising from war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, mutiny, insurrection, rebellion, revolution, military or usurped power, or any events or causes which determine the proclamation or maintenance of martial law,
- (b) while such Insured Person is on active service with the military, naval, air or police services of any nation,
- provided that this Insurance will continue to apply in respect of Accidental Bodily Injury sustained independently of such contingencies.
8. Whose death or disability is directly or indirectly attributable to Human Immunodeficiency Virus (HIV and/or any HIV related illness) or Acquired Immune Deficiency Syndrome (AIDS) including derivatives or variations thereof howsoever caused. The onus of proof will always be upon You to show that death or disability of an Insured Person did not arise through or was not caused by AIDS or HIV,
9. while participating in sport as a professional player, hang gliding or microlighting.
10. Whose occupation involves underground mining or tunnelling or involving the use or handling of explosives or explosive devices.

WARRANTY

It is hereby warranted that to the best of Your knowledge and belief, all Insured Persons are at the inception of each period of insurance in good health and are not suffering from any physical or mental defect or infirmity which might give rise to a claim under this policy.

CONDITIONS

1. This Policy is not assignable. Compensation will be payable only to the insured Person whose receipt will effectually discharge Hollard. No Insured Person will have any right against Hollard.
2. No sum under this Policy will carry interest.
3. You will give notice to Hollard within a reasonable time of any material change in the Business or an Insured Person's occupation and will pay any additional premium required by Hollard in consequence thereof.
4. Notice must be given to Hollard in writing on the prescribed claim form as soon as practicable within three calendar months of any occurrence which may give rise to a claim under this Policy but notice of death must be given forthwith and Hollard will have the right to have a post mortem examination of the body.

All certificates, information and evidence required by Hollard will be furnished without expense to Hollard within 30 days of Hollard notifying You of their requirements.

After incurring Bodily Injury for which Compensation may be payable under this Policy, You Person will, when reasonably required by Hollard so to do, submit to medical examination on behalf of and at the expense of Hollard and undergo any treatment specified. Hollard will not be liable to make payment unless this Condition is complied with to their satisfaction.

Qualified medical advice will be sought and followed promptly on the occurrence of any Bodily Injury and Hollard will not be liable for any part of any claim which in the opinion of their medical adviser arises from the unreasonable or wilful neglect or failure of an Insured Person to seek and remain under the care of a qualified member of the medical profession.

5. If any difference will arise as to the amount to be paid under this Policy (liability being otherwise admitted) such difference will be referred to arbitration in accordance with the statutory provisions for the time being in force and the making of an award will be a condition precedent to any liability for Hollard to make any payment under this Policy.
6. In the event of Hollard disclaiming liability in respect of any claim and an action or suit not being commenced within twelve months after such disclaimer or, in the case of an arbitration taking place, within twelve months after the Arbitrator will have made his award, all benefits under this Policy in respect of such claim will be forfeited.
7. If any claim under this Policy be in any respect fraudulent or intentionally exaggerated or if any fraudulent means or devices are used by You or the Insured Person or anyone acting on his or her behalf to obtain any benefit under this Policy all benefit thereunder will be forfeited.
8. If the Premium is calculated on estimates supplied by You an accurate record containing all relevant particulars must be maintained by You to which Hollard will have the right to access. You will furnish such information within one month of the expiry of each Period of Insurance and the Premium will be adjusted accordingly.
- 8.1 The estimates and declaration of total wages, earnings or salaries on which the premium hereunder is based will include all items of remuneration which fall under the definition of "Annual Earnings" within this policy.
- 8.2 In the event that such allowance are not included in the estimated or declared earnings these amounts will not be included in the computation of any claim.
9. This Policy will be governed by the laws of the Republic of South Africa, whose courts will have jurisdiction in any dispute arising hereunder.

SICKNESS EXTENSION (Only applicable if stated in the Schedule to be included)

This policy is extended to cover Temporary Total Disability of the insured Person caused by sickness or disease of the body contracted and commencing after the inception of this Policy.

PROVISOS

All terms, conditions, provisions and exceptions of the Policy will apply to this Extension.

EXCLUSIONS

No Compensation will be payable under this extension:

1. in respect of sickness or disease for which You Person had received treatment, or medical advice, prior to the inception of this Policy,

2. for sickness manifesting itself within the first 30 (thirty) days after the inception of this cover,
3. for the first 30 (thirty) days of any period of disablement following sickness,
4. in respect of any Insured Person who has attained the age of 65 years,
5. in respect of:
 - i) venereal or other socially transmitted diseases.
 - ii) congenital abnormalities and conditions arising out of or resulting from them,
 - iii) any mental and/or nervous disorders, or any like condition arising from or attributable to stress or stress-related situations.

SERIOUS ILLNESS EXTENSION (Only applicable if stated in the Schedule to be included)

Should an Insured Person be diagnosed during the Period of Insurance as suffering from a Serious Illness, symptoms of which were not present in such Insured Person up to 12 (twelve) months before inception of this Extension to the Policy, Hollard will pay the compensation as stated in the Schedule to this Policy up to a maximum amount of R150,000 (one hundred and fifty thousand Rand) per Insured Person.

DEFINITIONS

Serious illness means any of the following:

- a. **Heart Attack** – The death of a significant portion of the heart muscle due to inadequate blood supply to the relevant area. The diagnosis will include the following criteria:
 1. a history of typical chest pain;
 2. new ECG changes; and
 3. elevation of cardiac enzymes.
- b. **Chronic Coronary Heart Disease** – Open bypass surgery or open surgical treatment of coronary disease. This excludes angioplasty and any other intra-arterial procedures.
- c. **Stroke** – Any cerebrovascular occurrence or accident which produces significant neurological sequelae lasting more than 24 successive hours and including infarction of brain tissue, haemorrhage, and embolism from an extracranial source. Evidence of disabling permanent neurological deficit must be produced.
- d. **Cancer** – A disease manifested by the presence of a malignant tumour characterised by the uncontrolled growth and spread of malignant cells, and the invasion of normal surrounding tissue. All cancers diagnosed and treated by primary biopsy only, that is, not requiring any further surgical, medical (chemotherapy, and the like) or radio therapy, or other modalities are excluded.

The term “Cancer” also includes Leukaemia and Hodgkin’s Disease but excludes:

1. All skin cancers;
 2. Cancer-in-situ, including melanoma-in-situ.
- e. **Kidney Failure** – End stage renal failure presenting as chronic irreversible failure of both kidneys to function, as a result of which regular renal dialysis must be instituted.
 - f. **Major Organ Transplant** – The human to human organ transplant from a donor to You Person of one or more of the following organs:

Kidney, Heart, Lung, Pancreas or Bone Marrow. The transplantation of all other organs, parts of organs, or any other tissue transplant is excluded.

g. Paraplegia – The total and irreversible loss of the use of both legs or both arms.

Diagnosed means – Diagnosis by a registered medical practitioner, supported by clinical, radiological, histological and laboratory evidence, acceptable to Hollard.

Insured Person means – The person or persons specified in the schedule.

PROVISOS

1. Hollard will be obliged to compensate an Insured Person only once under this Extension to the Policy. Should an Insured Person be paid Compensation for a Serious Illness, that Insured Person's cover under this Extension lapses and cannot be reinstated.
2. An Insured Person who has been paid Compensation under the Schedule of Permanent Disability Benefits for bodily injury will not be entitled to Compensation under this Extension for the same bodily injury or disability.
3. All the terms, conditions, provisions and exceptions of the Policy will apply to this Extension.

EXCLUSIONS

Hollard will not be liable to pay Compensation for a Serious Illness diagnosed in respect of any Insured Person

1. under 18 or over 65 years of age
2. where the illness is as a result of the influence of alcohol, drugs or narcotics upon an Insured Person unless such drugs or narcotics were administered by a member of the medical profession (other than You Person) or unless prescribed by and taken in accordance with the directions of a member of the medical profession (other than You Person)
3. where the illness is directly or indirectly attributable to Human Immunodeficiency Virus (HIV and/or any HIV related illness) or Acquired Immune Deficiency Syndrome (AIDS) including derivatives or variations thereof howsoever caused. The onus of proof will always be upon You to show that a Serious Illness did not arise through or was not caused by AIDS or HIV,
4. where the illness is attributable to venereal or other socially transmitted diseases,
5. where the insured Person does not survive for more than 30 days after the diagnosis.

SECTION 19

Motor

SUB-SECTION A LOSS OR DAMAGE

DEFINED EVENTS

Loss of or damage to any vehicle described in the schedule and its accessories and spare parts whilst thereon. In addition, if such vehicle is disabled by reasons of any loss or damage insured hereby, the company will pay the reasonable cost of protection and removal to the nearest repairers and the Insured may give instructions for repairs to be executed without the prior consent of the company to the extent of but not exceeding R2 000, provided that a detailed estimate is first obtained and immediately forwarded to the company. The company will also pay the reasonable cost of delivery to the Insured, after repair of such loss or damage, not exceeding the reasonable cost of transport to the permanent address of the Insured in the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe or Malawi provided that

1. the limit of indemnity for each type of vehicle is as stated in the schedule and shall be the maximum amount payable by the company in respect of such loss or damage, but shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such loss or damage
2. the company may, at its own option, repair, reinstate or replace such vehicle or any part thereof and/or its accessories and spare parts or may pay in cash the amount of the loss or damage not exceeding the reasonable market value of such vehicle and/or its accessories and/or spare parts at the time of such loss or damage
3. if, to the knowledge of the company, the vehicle is the subject of a suspensive sale or similar agreement, such payment shall be made to the owner described therein whose receipt shall be a full and final discharge to the company in respect of such loss or damage
4. in respect of each and every occurrence giving rise to a claim (except a claim resulting from fire, lightning or explosion) under this sub-section, the Insured shall be responsible for the first amounts payable stated in the schedule (according to the type of vehicle) of any expenditure (or any less expenditure which may be incurred) for which provision is made under this sub-section (including any payment in respect of costs, expenses and fees), and of any expenditure by the company in the exercise of any discretion it may have under this insurance. If the expenditure incurred by the company shall include any first amount payable for which the Insured is responsible, such amount shall be paid by the Insured to the company forthwith
5. the company shall not be liable for more than the amount stated in the schedule (after deduction of the first amounts payable) in respect of the theft or attempted theft of radios, tapeplayers and similar equipment or telephones not supplied by the manufacturers of the vehicle when new.

EXCEPTIONS TO SUB-SECTION A

The company shall not be liable to pay for

- (a) consequential loss as a result of any cause whatsoever, depreciation in value whether arising from repairs following a defined event or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages
- (b) damage to tyres by application of brakes or by road punctures, cuts or bursts
- (c) damage to springs/shock absorbers due to inequalities of the road or other surface or to impact with such inequalities

SUB-SECTION B LIABILITY TO THIRD PARTIES

DEFINED EVENTS

Any accident caused by or through or in connection with any vehicle described in the schedule or in connection with the loading and/or unloading of such vehicle in respect of which the Insured and/or any passenger becomes legally liable to pay all sums including claimant's costs and expenses in respect of

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

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

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this sub-section, or for defending in any magistrate's court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this subsection, provided that the total of the company's liability under both this extension and sub-section B shall not exceed the limit of indemnity stated to apply to sub-section B
2. indemnify any person who is driving or using such vehicle on the Insured's order or with the Insured's permission provided that
 - (a) such person shall, as though he were the insured, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance in so far as they can apply
 - (b) such person driving such vehicle has not been refused any motor insurance or continuance thereof by any insurer
 - (c) indemnity shall not apply in respect of claims made by any member of the same household as such person
 - (d) such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable thereunder
3. indemnify the Insured while personally driving or using any private type motor car not belonging to him and not leased or hired to him under a lease or suspensive sale agreement, provided the Insured is an individual and has insured hereunder a vehicle described under definition (a) or (b) and provided the company shall not be liable for damage to the vehicle being driven or used
4. indemnify the Insured in respect of liability arising from the towing by a vehicle (other than for reward) of any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided the company shall not be liable for damage to the towed vehicle or trailer or to property therein or thereon.

EXCEPTIONS TO SUB-SECTION B

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

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

LIMITS OF INDEMNITY

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

SUB-SECTION C MEDICAL EXPENSES

DEFINED EVENTS

If an occupant in the specified part of a vehicle described below, in direct connection with such vehicle, sustains bodily injury by violent, accidental, external and visible means, the company will pay to the Insured the medical expenses incurred as a result of such injury up to R1 000 per injured occupant but not exceeding R20 000 in total for all occupants injured as a result of an occurrence or series of occurrences arising out of one event. The amount payable under this sub-section shall be reduced by any amount recoverable under any workmen's compensation enactment or similar legislation.

The term medical expenses includes any costs incurred to free such injured occupant from such vehicle or to bring such injured occupant to a place where medical treatment can be given.

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

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

Specified part of vehicle in which the injury of this section must occur

- 1. Anywhere inside the vehicle
- 2. The permanently enclosed passenger-carrying a bus or taxi compartment

DEFINITIONS

1. Occurrence

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

2. Vehicle

The term vehicle shall mean

- (a) private type motor cars (including station wagons, safari vans, estate cars and the like or similar vehicles designed to seat not more than 12 persons including the driver)
- (b) commercial vehicles and special type vehicles as described in the schedule
- (c) motor cycles (including motor scooters and 3-wheeled vehicles)
- (d) buses (including any vehicle used for business purposes and designed to seat more than 12 persons, including the driver)
- (e) trailers, i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto any such vehicle being owned by or hired or leased to the Insured, including any such vehicle temporarily operated by the Insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/ or repair provided that the insurer's maximum liability shall not exceed the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the schedule.

NO CLAIM REBATE PROVISIONS (applicable to specified vehicle basis)

In the event of no claim being made or arising under this policy during a period of insurance specified below immediately preceding the renewal of this policy, the renewal premium for the insurance of the vehicles will be based on the relevant Claim-Free Group or subject to the No Claim Discount as follows:

DEFINITION (a)

PERIOD OF INSURANCE	CLAIM-FREE GROUP
the preceding year	1
the preceding two consecutive years	2
the preceding three consecutive years	3
the preceding four consecutive years	4
the preceding five or more consecutive years	5

Otherwise than above, Claim-Free Group 0 applies.

If one or more claims are made or arise under this policy during a period of insurance for which the premium is based on Claim-Free Group 4 or 5, then the next renewal premium will be based on Claim-Free Group 2 or 3 respectively and for subsequent renewals as follows

(i) CLAIM-FREE GROUP 4

PERIOD OF INSURANCE DURING WHICH NO CLAIM IS MADE OR ARISES	CLAIM-FREE GROUP
the preceding year	3
the preceding two consecutive years	4
the preceding three consecutive years	5

(ii) CLAIM-FREE GROUP 5

PERIOD OF INSURANCE DURING WHICH NO CLAIM IS MADE OR ARISES	CLAIM-FREE GROUP
the preceding year	4
the preceding two consecutive years	5
the preceding three consecutive years	5

Otherwise than above, Claim-Free Group 0 applies.

DEFINITIONS (b) and (e)

PERIOD OF INSURANCE	NO CLAIM DISCOUNT
the preceding year	15%
the preceding two consecutive years	20%
the preceding three consecutive years	30%
the preceding four consecutive years	40%

Otherwise than above no discount applies.

DEFINITIONS (c) and (d)

PERIOD OF INSURANCE	NO CLAIM DISCOUNT
the preceding year	15%
the preceding two consecutive years	20%
the preceding three consecutive years	30%
the preceding four consecutive years	35%

Otherwise than above no discount applies.

Should the company consent to a transfer of interest in this policy, the period during which the interest was in the transferor shall not accrue to the benefit of the transferee.

If more than one vehicle is described in the schedule to this policy, the Claim-Free Group/No Claim Discount shall be applied as if a separate policy had been issued in respect of each such vehicle.

EXTENSIONS

1. **CONTINGENT LIABILITY EXTENSION** (if stated in the schedule to be included)

The indemnity under sub-section B includes claims made against

- (a) the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of or provided by the Insured, while being used by any partner or director or employee of the Insured (hereinafter in this extension referred to as such person)
- (b) any such person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to him or to the Insured or leased or hired by either of them, but only in so far as such person has not been refused any motor insurance or continuance thereof by any insurer provided that
 - (i) all the words in (b) of the exceptions to sub-section B are deleted
 - (ii) the company shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above
 - (iii) the payment by the Insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension
 - (iv) if, at the time of the occurrence of any accident giving rise to a claim under this extension, the Insured or such person is entitled to indemnity under any other policy in respect of the same occurrence, the company shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy
 - (v) the terms, exceptions and conditions of the policy shall otherwise apply.

2. **PASSENGER LIABILITY EXTENSION** (if stated in the schedule to be included)

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

3. **UNAUTHORISED PASSENGER LIABILITY EXTENSION** (if stated in the schedule to be included)

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

4. **PARKING FACILITIES AND MOVEMENT OF THIRD PARTY VEHICLES EXTENSION** (if stated in the schedule to be included)

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

- (a) with the authority of any tenant, customer or visitor of the Insured or
- (b) in connection with the Insured's parking arrangements or
- (c) to facilitate the carrying out of the insured's business,

and provided further that this extension shall not apply in respect of damage to vehicles which are parked for reward.

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

5. WINDSCREEN EXTENSION (if stated in the schedule to be included)

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

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

6. WAIVER OF SUBROGATION RIGHTS

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

7. PRINCIPALS

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

8. CROSS LIABILITIES

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

9. RIOT AND STRIKE EXTENSION (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

- (i) civil commotion, labour disturbances, riot, strike or lockout;
- (ii) the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in (i) above;

provided that this extension does not cover:

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

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

10. LOSS OF KEYS EXTENSION (if stated in the schedule to be included)

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

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

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

11. FIRE EXTINGUISHING CHARGES EXTENSION

Any costs (not exceeding R5 000) relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the company may be liable in terms of this section, provided the Insured is legally liable for such costs and the insured property was in danger from the fire.

12. WRECKAGE REMOVAL EXTENSION (if stated in the schedule to be included)

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

13. CREDIT SHORTFALL EXTENSION (if stated in the schedule to be included)

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

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

provided always that

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

MEMORANDA

1. PREMIUM ADJUSTMENT CLAUSE

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

2. WAR CLAUSE

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

3. DESCRIPTION OF USE CLAUSE

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

OPTIONAL LIMITATIONS

THIRD PARTY ONLY LIMITATION (if stated in the schedule to be applicable)

Sub-sections A and C and the No-Claim Rebate provisions are cancelled.

THIRD PARTY, FIRE AND THEFT ONLY LIMITATION (if stated in the schedule to be applicable)

The liability of the company under sub-section A is restricted solely to loss or damage resulting from fire, selfignition, lightning or explosion or by theft or any attempt thereat. Further, sub-section C and the No-Claim Rebate provisions are cancelled.

SPECIFIC EXCEPTIONS

1. The company shall not be liable for any accident, injury, loss, damage or liability
 - (a) whilst the vehicle is being used with the general knowledge and consent of the Insured otherwise than in accordance with the description of use clause
 - (b) incurred outside the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi and Mozambique, but the insurers will indemnify the Insured against loss of or damage to any vehicle while in transit by sea or air between ports or places in these territories including loading and unloading incidental to such transit
 - (c) incurred while any vehicle is being driven by
 - (i) the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or while not licensed to drive such vehicle
 - (ii) any other person with the general consent of the Insured who, to the Insured's knowledge, is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself) or who is not licensed to drive such vehicle/s
 - (iii) or is under the control for the purpose of being driven by a person who does not hold a current valid Professional Driving Permit (PDP) to drive such a vehicle as required in terms of the National road Traffic Amendment Act of 1998 (as amended) – (Regulation 251 (1)).

This exception applies if the said person has held a PDP but has not renewed it and is applicable to all drivers of

- (i) goods vehicles with a GVM exceeding 3,500 kg
- (ii) breakdown vehicles
- (iii) buses
- (iv) mini-buses with a GVM exceeding 3,500 kg or with 12 or more seats (including the driver)
- (v) motor vehicles conveying persons for reward

(vi) motor vehicles conveying more than 12 persons

but this shall not apply if the Insured was unaware that the driver was unlicensed and the Insured can prove to the satisfaction of the company that, in the normal course of his business, procedures are in operation to ensure that only licensed drivers are permitted to drive insured vehicles provided that any driver shall be deemed to be licensed to drive the vehicle if he is complying with the licensing laws relating to any of the territories referred to under Specific exception (b) or if a licence is not required by law, or while such driver is learning to drive and is complying with the laws relating to learner drivers

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

SPECIFIC CONDITION

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

SECTION 20

Electronic equipment

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

SUB-SECTION A: MATERIAL DAMAGE

DEFINED EVENTS

Physical loss of or damage to the property insured described in the schedule from any cause not hereinafter excluded while

- (a) at work or at rest anywhere within that part of the building occupied by You at Your premises described in the schedule
- (b) in transit including loading and unloading or while temporarily stored at any premises en route
- (c) temporarily removed from that part of the building occupied by You at Your premises described in the schedule to any other building.

EXCEPTIONS TO SUB-SECTION A

Hollard will not be liable to indemnify You irrespective of the original cause in respect of

- 1. the Deductible as stated in the schedule in respect of sub-section A, of each and every event giving rise to a claim. Where more than one item of property insured suffers physical loss or damage in any one event, the Deductible will be the highest single amount applicable to such property insured
- 2. derangement unless accompanied by physical damage otherwise covered by this section
- 3. loss or damage recoverable in terms of any maintenance and/or leasing agreement effected by or on Your behalf covering Your equipment
- 4. faults or defects known to You (or Your responsible employees) at the time this insurance was arranged or during the currency of the insurance and not disclosed to Hollard or any consequences thereof
- 5. wastage of material or the like or wearing out of any part of the property insured caused by or naturally resulting from ordinary usage or working or other gradual deterioration, development of poor contacts or scratching of painted or polished surfaces of a cosmetic nature
- 6. parts having a short life such as (but not limited to) bulbs, valves, contacts, X-ray tubes, cathode ray tubes, thermionic emission tubes, fuses and sacrificial buffer circuits. If such parts are damaged as a result of physical loss or damage as provided for by this sub-section to other parts of the property insured, Hollard will indemnify You for the residual value prior to the loss of such exchangeable parts
- 7. the cost of reproducing data and/or programs whether recorded on cards, tapes, disks or otherwise unless specifically provided for in sub-section B hereof
- 8. loss of use of the property or other consequential loss, damage or liability of whatsoever nature other than losses specifically provided for herein
- 9. (a) loss by theft or by disappearance of the property insured unless accompanied by forcible and violent

- entry into or exit (or any attempt thereat) from that part of the building occupied by You at the insured premises described in the schedule or as a result of theft or any attempt thereat, following violence or threat of violence
- (b) loss of the property insured by theft during transit or while temporarily removed from Your premises unless identifiable by You with a specific incident which has been immediately reported to the police and Hollard.

Hollard will not indemnify You for the theft of the property insured from any motor vehicle where the property insured has been

- (a) left in the motor vehicle overnight unless the vehicle is housed in a securely locked building and entry to such vehicle or building is accompanied by forcible and violent entry or exit
- (b) contained in a compartment of the motor vehicle and is visible to passers-by

provided that

(a) and (b) above will not apply to theft of the property insured where the transport vehicle

- (i) has been hijacked or
- (ii) has been involved in a road accident or sustains a breakdown and, due to circumstances beyond the control of the vehicle crew/driver, the property insured is of necessity left unprotected.

- 10. Loss of or damage to property resulting from or caused by inherent vice or defect vermin insects damp mildew or rust.

BASIS OF INDEMNIFICATION

The indemnity by this sub-section subject always to the sums insured contained in the schedule or any specific limit of liability contained in this sub-section, will be as hereinafter provided and as appropriate including dismantling, re-erection, transportation, removal of damaged property insured (but less the value of the remains) and, where applicable, importation duties and value added tax.

(1) PARTIAL LOSS

If the property insured suffers damage that can be repaired, the basis of indemnification will be the restoration expenses reasonably and necessarily incurred to restore the damaged property to working order provided that

- (a) the value of damaged parts which can be used will be deducted
- (b) the costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this sub-section
- (c) if, without the consent of Hollard, temporary repairs are carried out by You in the interests of safety or to minimize further loss or damage to the property insured, the cost of such temporary repairs will be borne by Hollard. In the event that the temporary repairs aggravate the loss or cause additional loss or damage to the property insured, any additional costs so incurred or consequence arising from them will be for Your account
- (d) where the damage is restricted to a part or parts of an insured item, Hollard will not be liable for an amount greater than the value of such part or parts which are lost or damaged allowed for within the sum insured.

(2) TOTAL LOSS

- (A) In cases where the new property insured is totally lost or destroyed, the basis of indemnification will be the cost of replacing or reinstating on the same site new property of equal performance and/or capacity or, if such be impossible, its replacement by new property having the nearest equivalent performance and/or capacity to the property lost or damaged provided always that
- (i) the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to Your requirements, subject to the liability of Hollard not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the market value of the property insured immediately before the damage will be made
 - (ii) until expenditure has been incurred by You in replacing or reinstating the property insured, Hollard will not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein
 - (iii) these conditions will be without force or effect if
 - (a) You fail to intimate to Hollard within six (6) months of the date upon which the damage occurred (or such further time as Hollard may in writing allow) Your intention to replace or reinstate the property insured
 - (b) You are unable or unwilling to replace or reinstate the property insured on the same or another site
 - (iv) at the sole option of Hollard, following commercial and technical appraisal by a representative of Hollard, the period referred to in the definition of new property may be extended (on an annual basis from renewal date) subject always to such extension of period being admitted by memorandum to this section.

DEFINITION OF NEW PROPERTY INSURED

New property will mean property purchased no more than seven (7) years (or such extended period as may be approved by Hollard in writing) prior to the defined event, it being expressly agreed that in applying this definition upgrades and enhancements will be taken into account in arriving at an indemnifiable amount and the age of the property insured.

(B) In respect of property insured not provided for in (A) above, the basis of indemnification will be the market value of the property insured immediately before the loss or damage. At the option of Hollard, the property insured will be regarded as totally destroyed if the repair costs as defined in (1) above equal or exceed its market value immediately before the damage.

DEFINITION OF MARKET VALUE

The current day purchase price of second-hand/used property of equal performance and/or capacity to the property lost or damaged and of substantially similar condition. Where no similar property is available, market value will be calculated by deducting from the current new replacement value of the nearest equivalent property, an amount representing

- (i) 20% (twenty%) for the first year after the date of purchase
- and
- (ii) 10% (ten%) per year for each succeeding year

subject always to a minimum indemnity of 40% (forty%) of the current new replacement value of the nearest equivalent property.

AVERAGE

In respect of (1) and (2) above, if at the time of repair, replacement or reinstatement, the sum representing the cost which would have been incurred in repair, replacement or reinstatement if the whole of the property insured had been lost or damaged exceeds the sum insured thereon at the time of any loss of or damage to such property, then You will be considered as being Your own insurer for the difference and will bear a rateable proportion of the loss or damage accordingly. Each item of this section (if more than one) to which these conditions apply will be separately subject to this provision.

LIMIT OF LIABILITY

The amount of liability will not exceed, in respect of any of the items specified in the schedule, the sums insured set opposite thereto respectively and, in addition thereto, the following:

(a) Architects' and other professional fees

Professional fees necessarily and reasonably incurred in the repair or reinstatement of property following indemnifiable loss or damage, provided that the amount payable in respect of such fees does not exceed 15% of the total amount of the claim, but will not include expenses incurred in connection with the preparation of Your claim.

(b) Clearance costs

Costs necessarily and reasonably incurred by You in respect of demolition or dismantling of property and/ or removal of debris and in providing, erecting and maintaining hoardings and other similar structures required during demolition, dismantling, debris removal and reconstruction following indemnifiable loss of or damage to such property, provided that the total amount recoverable does not exceed 15% of the total amount of the claim.

(c) Express delivery and overtime

Extra charges for express delivery, airfreight, overtime, Sunday and holiday rates of wages payable in respect of the necessary and reasonable additional costs incurred by You for effecting repairs or replacement approved by Hollard, limited to 50% of the amount which the repair or replacement would have cost had these additional costs not been incurred.

CLAUSES AND EXTENSIONS

POWER SURGE OR LIGHTNING STRIKES

All loss or damage to the property insured by power surges or lightning strikes will be subject to an additional Deductible of 10% of the net amount payable for the items so damaged subject to a minimum of R1,000, but not exceeding R2,000 per occurrence. However, should the property insured be appropriately and adequately protected by suitable safeguards against electrical supply fluctuations, then this additional Deductible will be waived.

FIRE BRIGADE CHARGES

If any public authority empowered to do so will charge You with any costs arising from Your activities in dealing with the consequences of an insured peril having operated, such costs will be deemed to be damage to the property insured and will be payable in addition to any other payment for which Hollard may be liable in terms of this insurance.

TENANTS

This insurance will not be invalidated by any act or neglect on the part of a tenant of Yours (where You owns the building) or another tenant or the owner of the building (where You are a tenant) provided that You notify Hollard as soon as such

act or neglect comes to Your knowledge and pay on demand the appropriate additional premium.

HIRE PURCHASE/FINANCE AGREEMENTS

Where Hollard has knowledge of the property insured or any individual item thereof being the subject of a suspensive sale or similar agreement, payment hereunder will be made to the owner described therein whose receipt will be a full and final discharge to Hollard in respect of loss or damage indemnifiable by this subsection of the section.

SUB-SECTION B: CONSEQUENTIAL LOSS

DEFINED EVENTS

The insurance provided by this sub-section (if stated in the schedule) will be subject to the limits of indemnity stated in the schedule and will include

(i) Increased cost of working

The insurance under this item is limited to the additional expenditure necessarily and reasonably incurred by You during the indemnity period in consequence of the accident for the sole purpose of avoiding or diminishing the interruption of or interference with Your normal business less any sum saved during the indemnity period in respect of such of the charges and expenses of the business as may cease or be reduced in consequence of the accident.

The indemnity by this item will not apply directly or indirectly to

- (a) the cover provided for in item (ii) of this sub-section
- (b) the intrinsic value (including reinstatement value) of the property insured by sub-section A of this section.

(ii) Reinstatement of data/programs

Costs and expenses necessarily and reasonably incurred by You for the reconstitution or recompilation of data and/or programs recorded on or stored in data-carrying media which are lost as a result of accidental erasure (which will include the events defined in the indemnity clause to sub-section A of this section) or by theft or by the deliberate, wilful or wanton intention of causing the cancellation or corruption of data or programs as provided for in sub-section A of this section

provided that

- (a) the indemnity will not extend to nor include such costs incurred due to program errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programs
- (b) in respect of each and every event or series of events arising out of or in connection with one original cause or source indemnifiable by this item, You will bear the amount stated in the schedule as the Deductible
- (c) where You elect to insure programs (software), a schedule of such programs will be lodged with Hollard at the commencement of each period of insurance.

DEFINITIONS

INDEMNITY PERIOD

The period during which the results of the business will be affected in consequence of the accident beginning with the number of hours/days detailed in the schedule as the time excess after the occurrence of the accident and ending not later than the expiry of the period detailed in the schedule as the indemnity period after such occurrence.

The time excess will not apply to loss or damage directly caused by fire, storm (excluding lightning), subsidence, wind or the collapse of buildings.

ACCIDENT

1. (Applicable to increased cost of working only) physical loss of or damage to the property insured described in the schedule from any cause as provided for under sub-section A of this section, liability under which sub-section will, except for the provisions relating to the Deductible or the maintenance/lease agreements, be a condition precedent to liability hereunder.
2. Failure of the public supply of electricity at the terminal ends of the service feeders in the premises from any accidental cause other than
 - (a) Your deliberate act or any supply authority
 - (b) drought or shortage of fuel at any electricity utility.

THE LIMIT OF LIABILITY

The liability of Hollard will not exceed the amounts specified in the schedule (relating to sub-section B) in respect of any one accident or series of accidents arising out of or in connection with any one event. In the event of the payment by Hollard of any sum or sums in discharge of Hollard's liability in terms of this sub-section, the sum(s) insured will automatically be reinstated for the remainder of the current period of insurance.

You will pay to Hollard the additional premium required by Hollard calculated pro rata from the day of the accident to the end of the period of insurance.

SPECIFIC EXCEPTIONS TO SUB-SECTION B UNLESS SPECIFICALLY PROVIDED FOR

1. FINES AND PENALTIES

Hollard will not be liable to indemnify You in respect of fines or penalties for breach of contract for late or non-completion of orders or any penalties of whatsoever nature

2. LOSS OF PROFIT

Hollard will not be liable to indemnify You in respect of loss of profit or consequential loss of whatsoever nature unless specifically provided for herein.

CLAUSES AND EXTENSIONS

REINSTATEMENT

Notwithstanding anything to the contrary contained in this sub-section, it is hereby declared and agreed that, in the event of any interruption, following loss or damage, being aggravated by:

- (a) You being unable or unwilling to replace or reinstate property destroyed or damaged, or failing to carry out such replacement or reinstatement within a reasonable time, or
- (b) additions, alterations or improvements being effected to the property insured on the occasion of its repair,

Hollard's liability under this section will be related solely to the business interruption which would have arisen in the absence of (a) and (b).

TELKOM ACCESS LINES (if stated in the schedule to be included)

Subject to the limits specified in the schedule, consequential loss as provided for under defined events (i) and (ii) of sub-section B arising from accidental failure of the Telkom access lines is included, provided always that the insurance under this extension will be subject to the special conditions below.

SPECIAL CONDITIONS APPLICABLE TO TELKOM ACCESS LINES

- (a) The liability of Hollard will not exceed the sum insured by this sub-section.
- (b) The indemnity period will commence 12 hours after the failure and end not later than 30 days after such failure.
- (c) The insurance provided does not cover loss occasioned by the deliberate act of any Telkom authority or by the exercise of such Telkom authority of its power to withhold or restrict access to its lines.

GENERAL MEMORANDA

MEMO 1 – CAPITAL ADDITIONS AND CURRENCY FLUCTUATIONS

The indemnity by this section will include

- (a) additional equipment or programs purchased by You of a similar nature to that specified in the schedule, provided that, in respect of loss or damage due to electrical, mechanical or electronic breakdown or explosion, the insurance will only commence after satisfactory completion of installation or commissioning/testing and put into use at Your premises
- (b) provision for devaluation or revaluation of the currency of the Republic of South Africa against that of the country of origin of the property insured and other inflationary trends, which may result in the escalation of the sum insured (representing the installed new replacement value) of the property insured

provided that the increase will not exceed, by more than 25%, the total sum insured for sub-section A specified in the schedule, it being agreed that You will advise Hollard of such alterations after the expiry of each period of insurance and pay the appropriate premium thereon but not exceeding 50% of the difference.

MEMO 2 – PREVENTION OF ACCESS

If, during the indemnity period, the business at the premises is interrupted or interfered with in consequence of You being prevented from having access to the property insured situated at the premises caused by damage to property

within a 25km radius of Your premises as described in the schedule by fire, lightning, explosion, storm, tempest, flood, water inundation, earthquake or impact by vehicles, Hollard will indemnify You for loss resulting from such interruption or interference in accordance with the provisions contained herein

provided that

- (i) You are not entitled to indemnity as provided for in this extension under any other policy or section of this policy
- (ii) this section will not be brought into contribution with any other policy or section of this policy bearing a like extension.

MEMO 3 – TERRITORIAL LIMITS

The Territorial Limits in respect of laptops, note books/palm top computers as well as all other portable computer equipment temporarily located outside of the premises specified in this policy will be deemed to be worldwide.

SPECIAL EXCEPTION (SUB-SECTIONS A AND B)

VIRUSES, TROJANS AND WORMS

Hollard will not indemnify You for loss or damage of whatsoever nature arising directly or indirectly out of or in connection with the action of any computer virus, Trojan or worm(s) or other similar destructive media.

GENERAL EXTENSION

INCOMPATIBILITY COVER (if stated in the schedule to be included)

Notwithstanding anything to the contrary contained in the policy, the indemnity by sub-sections A and B of this section will indemnify You for costs incurred in respect of

- (a) modifications or alterations to the property insured directly consequent upon indemnifiable loss or damage to ensure the operating integrity of the electronic system
- (b) replacement or upgrading of legal programs to achieve compatibility with the modified or altered electronic system
- (c) the restoration of previously captured data which has become inaccessible due to the modifications to or alterations of the electronic system or in consequence of the replacement or upgrading of legal programs;

provided always that

- (1) the costs provided for in (a), (b) and (c) above will be necessarily and reasonably incurred to maintain normal working conditions
- (2) such additional costs will be incurred as a direct consequence of indemnifiable loss or damage in terms of sub-sections A or B (item ii) of this section
- (3) the cover afforded hereunder will be restricted to
 - (i) parts or components of the electronic system which are not indemnifiable under sub-section A hereof
 - (ii) programs or data reinstated not indemnifiable under item (ii) of sub-section B hereof;
- (4) the indemnity by this extension will, in respect of any one event, be limited in the aggregate to twenty percent (20%) of the applicable total sum insured under sub-section A (the limit of indemnity) and sub-section B (item (ii)) or R25,000, whichever is less.

SECTION 21

Enroute in-car insurance™

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

If, during the period of insurance an Insured Person sustains Bodily Injury as a result of a Motor Vehicle Accident while being Conveyed in an Insured Vehicle which directly results in Death, Permanent Total Disability, Temporary Total Disability, and/or Medical Expenses Hollard agrees to pay to You Person or You Person's estate the Compensation stated in the Schedule.

DEFINITIONS FOR THIS SECTION

1. "Insured" means the Person who takes out this cover, and, is named as the Policyholder in the Schedule.
2. "Insured Person" means You and any person being Conveyed in an Insured Vehicle at the time of the Motor Vehicle Accident.
3. "Conveyed" means being in You Vehicle and includes being injured by another vehicle while getting into or out of Your Vehicle.
4. "Insured Vehicle" means the vehicle or vehicles listed in the schedule and identified as such by the registration number and VIN (vehicle identification number) or the chassis number.
5. "Vehicle" means a self-propelled motor vehicle registered in the Republic of South Africa and which is a:
 - sedan, station wagon, 4x4 vehicle, 4x2 vehicle, Multipurpose (MPV) or Sports Utility (SUV) Vehicle and similar vehicles to MPV's and SUV's described by other alternatives to MPV or SUV, licensed to carry passengers not exceeding in total 10 (ten) persons including the driver and registered in the Republic of South Africa;
 - light delivery vehicle (LDV) with a carrying capacity not exceeding 1,500 (one thousand five hundred) kilograms, not exceeding in total 3 (three) passengers in the area specifically designed to seat and carry the driver and passengers (Cab). Persons not in the "cab" area of the vehicle are excluded. The vehicle will be registered in the Republic of South Africa.
 - light delivery vehicle (LDV) known as double cabs with a carrying capacity not exceeding 1,500 (one thousand five hundred) kilograms, not exceeding in total 5 (five) passengers in the area specifically designed to seat and carry the driver and passengers (Cab). Persons not in the "cab" area of the vehicle are excluded. The vehicle will be registered in the Republic of South Africa.

Motorcycles including three-wheel and four-wheel motorcycles or the like, and Vehicles used primarily for carrying goods or for public transport are excluded and not covered in terms of this policy.
6. "Motor Vehicle Accident" means a sudden unexpected accident or a series of accidents resulting from the same cause occurring at a specific place and time within the Territory and during the Period of Insurance involving an Insured Vehicle.
7. "Bodily Injury" means physical trauma or bodily injury to an Insured Person, resulting from a Motor Vehicle Accident which physical trauma or bodily injury injures or disables the insured Person totally independently from any other physical or mental disability, defect, infirmity or cause that existed prior to the Motor Vehicle Accident and which physical trauma or bodily injury results in:
 - a) Death or Permanent Total Disability or Temporary Total Disability within 24 (twenty four) months of the Motor Vehicle Accident; and/or

- b) Medical expenses incurred within 24 (twenty four) months of the Motor Vehicle Accident not exceeding the maximum benefit in the schedule.
8. “Permanent Total Disability” means the total, absolute and permanent disablement as a result of a Bodily Injury which prevents the insured Person from following his or her usual occupation or any other occupation for which he or she is suited by education or training.
9. “Temporary Total Disability” means the temporary disablement as a result of Bodily Injury which prevents the insured Person from engaging in or giving attention to his or her usual occupation.
10. “Medical Expenses” means expenses necessarily and reasonably incurred within 24 (twenty four) months of the date of the Motor Vehicle Accident for medical, surgical, dental, ophthalmic, hospital treatment and/or emergency travel costs.
11. “Medical Practitioner” means a legally qualified medical practitioner other than the insured Person or a member of his/her immediate family.
12. “Benefit” means the applicable amount of compensation paid to an Insured Person, subject always to the terms and conditions of this Policy, at the amount stated in or determined by the Schedule.
13. “Territory” means the Republic of South Africa, Namibia, Botswana, Zimbabwe, Lesotho, Swaziland, Mozambique and Malawi.
14. “Loss of Eye” means permanent and total loss of or loss of sight in an eye.
15. “Loss of Speech or Hearing” means total and irrevocable loss of speech or hearing.

PERMANENT DISABILITY TABLE

Bodily Injury resulting in: _____% (percentage) of Maximum Permanent Total Disability in the Schedule.

Permanent Total Disability	100% (one hundred percent)
Permanent and total loss of:	
speech	100% (one hundred percent)
hearing in both ears	100% (one hundred percent)
hearing in one ear	25% (twenty five percent)
sight in both eyes	100% (one hundred percent)
sight in one eye	50% (fifty percent)
one or both arms	100% (one hundred percent)
one or both legs	100% (one hundred percent)
one arm and one leg	100% (one hundred percent)
both hands	100% (one hundred percent)
one hand	50% (fifty percent)
both feet	100% (one hundred percent)
one foot	50% (fifty percent)

one hand and one foot	100% (one hundred percent)
four fingers of either hand	70% (seventy percent)
thumb on either hand	30% (thirty percent)
any other finger of either hand	5% (five percent)
all toes on one foot	30% (thirty percent)
great toe of either foot	10% (ten percent)
any other toe	2% (two percent)
Permanent disability not specified herein	a percentage which in the opinion of Hollard is consistent with the above benefits insofar as possible

BENEFIT PROVISOS

The insurance provided in this section is subject to the following:

- 1) Hollard will not be liable to pay for Death, Permanent Total Disability, Temporary Total Disability or Medical Expenses resulting from a Motor Vehicle Accident or series of Motor Vehicle Accidents arising from one cause in respect of any one Insured Person, more than the applicable Benefit payable for Death or Permanent Total Disability (whichever is the higher). Temporary Total Disability and Medical Expenses benefits will be paid in addition thereto subject always to the policy limits stated in the Schedule.
- 2) The compensation for Temporary Total Disability will cease as soon as the bodily injury causing the incapacity has healed insofar as it is reasonably possible notwithstanding that Permanent Disability may remain but will in any event not be payable for more than the number of weeks stated in the Schedule.
- 3) Hollard will not be liable for more than the limits stated below in respect of death benefits for Insured Persons under 16 (sixteen) years of age.
 - a) Under 6 (six) years of age: R10,000 (ten thousand Rand)
 - b) 6 (six) years of age and over but not exceeding 15 (fifteen) years of age: R30,000 (thirty thousand Rand).
- 4) Hollard will not be liable in respect of any Insured Person to pay weekly benefits, more than the average weekly earnings of such Insured Person for the 12 (twelve) months (or part thereof) preceding the accident in respect of Temporary Total Disability.
- 5) Hollard will not be liable for more than 25% (twenty five percent) of the benefit for Temporary Total Disability in respect of Insured Persons who are unemployed, at the time of the Motor Vehicle Accident.
- 6) Hollard will not be liable for any amount payable in respect of Temporary Disability in respect of any Insured Person under the age of 15 (fifteen) or any person over the age of 15 (fifteen) who is a student and not in full time employment.
- 7) You Person will not be insured under more than one ENROUTE IN-CAR INSURANCE policy with Hollard. If however an Insured Person is covered by more than one ENROUTE IN-CAR INSURANCE policy with Hollard, only the ENROUTE IN-CAR INSURANCE policy with the highest benefit will be called upon to indemnify You Person, but subject always to the terms and conditions of that Policy.

EXTENSIONS

The Insurance provided in this Policy includes the following additional benefits:

1. **DISAPPEARANCE**

In the event of the disappearance of the insured Person in circumstances which reasonably satisfies Hollard that the insured Person has sustained Bodily Injury and that such Bodily Injury has resulted in the death of the insured Person immediately prior to their disappearance, Hollard will presume the insured Person's death and pay such death Benefits as may be applicable under the Policy, provided that, if after Hollard has made payment of such Benefit, You Person is found to be alive, such Benefit will forthwith be refunded to Hollard by the insured Person or the insured Person's estate as the case may be.

2. **EXPOSURE**

Bodily Injury will include injury caused by starvation, thirst and/or exposure to the elements directly or indirectly resulting from a Motor Vehicle Accident.

3. **TERRORISM**

Notwithstanding anything to the contrary in Exclusion (1) to this Policy, the insurance provided by this Policy is extended to cover Death, Permanent Total Disability, Temporary Total Disability and/or Medical Expenses arising from "Terrorism activity" as defined in the Protection of Constitutional Democracy against Terrorist and Related Activities Act, 2004 as amended, provided that Hollard will not be liable to pay any Benefit in respect of such Insured Person arising from:

- a) the performance by such Insured Person of obligations in terms of the Defence Act, 2002, or the South African Police Services Act, 1995 at a place from which military or police actions are carried out; or
- b) consequent upon such person's actual engagement in military or police actions.

4. **HIJACKING**

The policy is extended to cover Bodily Injury to an Insured Person in the event of unlawful seizure or wrongful exercise of control of an Insured Vehicle in which an Insured Person is being conveyed by means of violence or threatened violence.

5. **TRAUMA COUNSELLING**

In the event of an Insured Person being subject to an act of violence or trauma in a Motor Vehicle Accident which in the reasonable opinion of Hollard has given rise to circumstances which justify counselling, Hollard will subject to the terms and conditions of this Policy reimburse such Insured Person for counselling fees actually and reasonably incurred by such Insured Person as a result of such act of violence or traumatic accident, provided that

- a) The maximum amount payable by Hollard will be R300 (three hundred Rand) per counselling session and R3,000 (three thousand Rand) for any one Motor Vehicle Accident.
- b) The act of violence will mean an assault, robbery or car hijack or attempt thereat.
- c) The act of violence has been reported to the police as soon as possible and a case number obtained.

EXCLUSIONS

Hollard will not be liable to pay any Benefit for any claim directly or indirectly consequent upon:

1. participation in labour disturbances, riot, strikes, lock-out or You Person's committing a criminal offence;
2. wilful exposure to danger (except in an attempt to save human life), intentional self-inflicted injury, suicide or attempt thereat;
3. caused by or contributed to by any pre-existing physical defect or deformity or sickness or disease or any condition for which You Person had received treatment, or medical advice, prior to the date of the motor vehicle accident;
4. the insured Person travelling in a motor vehicle while engaging in racing or speed or duration tests of any kind, or while being used for any purpose other than that for which it was built and registered;
5. the insured Person being the driver of the vehicle or conveyed in a vehicle driven by a driver while such driver is not in possession of a valid drivers' licence authorising him or her to drive the insured Vehicle, provided that this exclusion will not apply to an Insured Person who was a passenger at the time of the Motor Vehicle Accident and was not aware that the driver was not in possession of a valid drivers' licence, subject to the onus being on such Insured Person to prove that they were not aware that the driver was not in possession of a valid drivers' licence at the time of the Motor Vehicle Accident;
6. an Insured Person being under the influence of drugs or narcotics at the time of the Motor Vehicle Accident unless such drugs or narcotics were administered by a qualified Medical Practitioner or prescribed by and taken in accordance with the directions of a Medical Practitioner;
7. You or any Person driving Your Vehicle with more than the legal limit of alcohol in his/her blood;
8. or caused by or contributed to by any psychiatric, mental or nervous conditions of any kind, including mental impairment and psychopathic disorders, depression, major affective disorders, psychotic and neurotic conditions and all stress and anxiety related disorders other than the benefits provided for under Trauma Counselling;
9. or caused by or contributed to by any congenital condition.

AUTOMATIC TERMINATION

The cover in terms of this section will terminate on the occurrence of any of the following events:

1. on the day the ownership of Your Vehicle transfers from You to another person;
2. when Your insured Vehicle is no longer registered in terms of the applicable Road Traffic Law;
3. When Your Vehicle is not in a roadworthy condition;
4. The expiry of 30 (thirty) days after Your death.

TERMINATION BY YOU

If You give notice in writing to Hollard to terminate cover, such termination will become effective on the date notice is received or on the date specified in such notice, whichever is the later. Cover will cease at 24:00 on such date.

ADDITIONAL GENERAL CONDITIONS FOR THIS SECTION

Notwithstanding the General Conditions as stipulated on page 3 of this Policy, the following also apply for this section.

CONTINUING DUTY

The Policyholder is under a continuing duty throughout the Period of Insurance to notify Hollard of all and any changes to the information that You provided to Hollard prior to and up to any effective date of this Policy.

NOTICE OF TRUST OR ASSIGNMENT

Hollard will not be bound or be affected by any notice of any change, lien, or assignment or other dealing with or related to this Policy or any Benefit payable there under.

PAYMENT OF BENEFIT

Benefits payable under this Policy will be paid to You Person or You Person's estate, personal representative or legal guardian.

Any receipt given by the insured Person, anyone acting on the insured Person's behalf, or any legal guardian or executor to Hollard for Benefits payable under this Policy will be deemed a final and complete discharge of all liability of Hollard in respect of such Benefits.

INTEREST

No amount payable under this Policy will carry interest, unless so ordered by a competent court of law.

CHANGES IN PREMIUMS AND CONDITIONS

Hollard reserves the right to change or increase premiums from time to time or to amend the terms, conditions and exclusions of cover in respect of the Policy subject to 30 (thirty) days' notice in writing.

CURRENCY

Premiums and Benefits payable under this Policy will be paid in the Republic of South Africa and in South African Rand only.

CLAIMS

An Insured Person claiming under this Policy is bound by and must comply with all the terms and conditions of this Policy and has no greater rights than You have to claiming under this Policy.

the insured Person's strict compliance with the claims procedure as set out herein is a condition precedent to any liability that Hollard may have under this Policy.

A Motor Vehicle Accident is to be reported to the Police within 24 (twenty four) hours of the accident.

Notice must be given to Hollard of the Motor Vehicle Accident or any other occurrence likely to give rise to a claim under this Policy in writing on the prescribed claim form as soon as practicable but in any event no later than 90 (ninety) days after the Motor Vehicle Accident or the occurrence likely to give rise to a claim, PROVIDED THAT notice of a claim involving death must be given IMMEDIATELY and not later than 48 (forty eight) hours after the time of accident, and Hollard will in such event have the right to conduct a post mortem examination.

All certificates, information and evidence required by Hollard will be furnished by the insured Person in the form prescribed and without expense to Hollard. After incurring Bodily Injury for which a Benefit may be payable under this Policy the insured Person will, at the election of Hollard, submit to such medical examination or examinations as Hollard may require (at the expense of Hollard) and the insured Person will undergo any treatment specified by Hollard, as often as will be required, in connection with any claim.

the insured Person will co-operate with, and follow diligently, any medical advice provided in connection with a Bodily Injury and Hollard will not be liable for any part of any claim which, in the opinion of Hollard's medical advisor, arises from the unreasonable or wilful neglect or failure of an Insured Person to seek and remain under and follow the advice of a Medical Practitioner.

SECTION 22

Combined liability

This Section forms part of the Policy only if shown in the Schedule with a related premium and, if so, must be read together with the rest of the Policy.

INDEMNITY AGREEMENT

Hollard in consideration of You having paid the premium and on the basis that any information provided in connection with any proposal or submission made to Hollard will be the basis of, and incorporated into, this contract, will, subject to the terms, Exceptions, Conditions, Endorsements, and Limit of Indemnity in respect of or applicable to this Section of the Policy, and after application of the Deductible, indemnify You as hereinafter provided for in the Operative Sections against all sums that You will become legally liable to pay, arising from any claim first made against You and notified to Hollard during the Period of Insurance, in respect of Bodily Injury or loss of, or damage to, Property, including claimant's costs and expenses, which arises in connection with the Business and in respect of an Event after the Retroactive Date stated in the Schedule.

MEMORANDUM

This Section of the Policy forms part of the Hollard Business Policy. To the extent of any inconsistency between the General Exceptions, Conditions and Provisions contained within the Hollard Business Policy and the Specific Exclusions, Exceptions, Conditions and Provisions contained within this Section, the Specific Exclusions, Exceptions, Conditions and Provisions will prevail. Please examine the cover afforded by this Section of the Policy, together with the Schedule. Please make sure that it is correct and provides the agreed cover. If it is incorrect, please tell us and return it to us immediately.

DEFENCE COSTS

Hollard will, subject to the Deductible, also pay:

- A. All other costs and expenses incurred with Hollard's prior written consent in respect of the investigation, defence or settlement of any Event giving rise to a claim or series of claims that may be the subject of indemnity under this Section of the Policy.
- B. Legal representatives' fees incurred with Hollard's prior written consent for Your representation at:
 - (i) any coroner's inquest or any official statutory inquiry investigating an occurrence or fatal accident inquiry in respect of any death; or
 - (ii) proceedings in any court of first instance arising out of any alleged breach of statutory duty resulting in Bodily Injury or loss of, or damage to, Property; which may be the subject of indemnity under this Section of the Policy.

It is understood and agreed that the Defence Costs, as set out above and for which Hollard may agree to pay from time to time, will not be in addition to the Limit of Indemnity stated in the Schedule. Hollard's total liability to pay in accordance with the Indemnity Agreement all sums for which You are legally liable to pay, claimant's costs and expenses and Defence Costs will not exceed the Limit of Indemnity.

DEFINITIONS

The following specific definitions will apply to the cover afforded to You under this Section:

1. Insured will mean:
 - (a) the first named party stated in The Schedule, hereinafter referred to as the Named Insured.
 - (b) at the request of the Named Insured:
 - (i) any subsidiary company of the Named Insured declared to Hollard;
 - (ii) any director, partner or Employee of the Named Insured, while acting on behalf of or in the course and scope of their employment or engagement by the Named Insured,
 - (iii) any officer, member, or Employee, of the Named Insured's canteen, social, sports, welfare organisation, fire, first aid or ambulance services (but excluding medical practitioners while working in a professional capacity), in their respective capacities as such;
 - (iv) any director, partner, or senior official, of the Named Insured, in respect of private manual work carried out by any Employee of Yours for any such person, with the consent of the Named Insured;
 - (v) any principal, in his capacity as such, for liability arising out of work performed for or on behalf of such principal by the Named Insured, in respect of liability for which the Named Insured would have been entitled to an indemnity under this Section of the Policy if the claim had been made against the Named Insured.
 - (c) in the event of the death of the Named Insured, the personal representatives of the Named Insured in respect of liability incurred by the Named Insured.
2. **Business** is as described in the Schedule and will also include:
 - (a) the ownership, repair, maintenance or use of the Named Insured's premises;
 - (b) the provision and management of canteen, social, sports and welfare organisations for the benefit of the Named Insured's Employees;
 - (c) the provision and management of security, fire, first aid and ambulance services;
 - (d) private manual work, carried out with the consent of the Named Insured, for any director, partner, or senior official of Yours by any Employee.
3. **Bodily Injury** will mean death, injury, illness, or disease; and injury may also include nervous shock, mental anguish or mental illness.
4. **Personal Injury** will mean Bodily Injury, invasion of the right to privacy, discrimination, libel, slander, defamation of character, wrongful arrest, detention, imprisonment, eviction or wrongful accusation of shoplifting.
5. **Property** will mean tangible property, except in Section 1 of this Section of the Policy where it includes rights of light, air, and water but, for the avoidance of doubt, will not include information (including electronically stored information), intellectual property, or intangible property rights of any kind, or any value therein.
6. **Employee** will mean:

- (a) any person under a contract of employment or apprenticeship with the Named Insured;
- (b)
 - (i) any labour master or labour only sub-contractor or person supplied by any of them;
 - (ii) any self-employed person;
 - (iii) any person under a contract of employment or apprenticeship with another employer, and who is hired to, or borrowed by, You;
 - (iv) any person participating in any government, or otherwise authorised work experience, training, study, exchange, or similar scheme;
 - (v) any voluntary persons; while engaged in work for the Named Insured in connection with the Business.

7. **Product** will mean any goods (including packaging, containers, labelling, instructions or advice, provided in connection therewith):

- (a) sold, supplied or distributed by or on behalf of the Named Insured;
- (b) erected, repaired, serviced, altered, treated or installed by the Named Insured;

in the course of the Business, and which have left the care, custody or control of the Named Insured.

8. **Pollution Hazard** will mean:

- (a) actual, alleged, or threatened:
 - (i) ingestion, inhalation, absorption, release, escape, discharge, dispersal, seepage of, contact with, or exposure to, Pollutants;
 - (ii) subsequent spread, migration, or movement of Pollutants following (i) above;
- (b) the costs of cleaning up, containing, treating, detoxifying, neutralising, removing, monitoring of, or testing for, Pollutants and their effects, whether or not these are performed by You or third parties.

9. **Pollutants** will mean any solid, liquid, gaseous, or thermal irritants, smoke, vapour, soot, fumes, acids, alkalis, chemicals, waste, or other substances or contaminants, bacteria, moulds or other fungi (including but not limited to mildew or mycotoxins or spores or any other substance or product produced or released by moulds or fungi); which actually or are alleged to adversely affect land, water, atmosphere, property, buildings, other structures, or people, animals, plants, and all other living organisms, or the general environment.

10. **Offshore** work will mean embarkation onto a conveyance until disembarkation from such conveyance at the point of final departure for transport to and from an offshore installation or vessel, transit between or work on an offshore installation or vessel.

11. **Event** will mean any one occurrence, or all occurrences of a series consequent upon, or attributable to, one originating cause including but not limited to one or more occurrences of Bodily Injury or Personal Injury or loss of or damage to Property, relating to the same fault in design, manufacture, instructions for use, packaging or labelling or attributable to the supply of the same Product or Products showing the same defect or the same action or failure to act, and will be treated as one single occurrence, irrespective of the number of injured parties, actual claimants, potential or eligible claimants, and whether or not brought by class action or individually by the claimants concerned.

12. **Limit of Indemnity** will mean the total liability of Hollard for all amounts payable in accordance with the Indemnity Agreement, and will not exceed the amount stated in the Schedule. If an Event gives rise to a claim or a series of claims which form the subject of an indemnity under more than one Operative Section of this section of the Policy, the total amount of Hollard's liability will at all times be limited to the greatest Limit of Indemnity available

under any one of the Operative Sections in this Section of the Policy affording indemnity for the claim or series of claims. The Limit of Indemnity will be determined with reference to the Schedule, or such other limit as may apply by virtue of an Endorsement to or specific sub-limit set out in this Section of the Policy.

13. **Deductible** will mean the amount stated in the Schedule, which will be payable by You for each Event in respect of all damages, claimant's costs and expenses and Defence Costs (including investigation costs other than Hollard's own salary and other internal costs), before Hollard will be liable to make any payment under this Section of the Policy.
14. **System Failure** will mean malfunction or non-function of any mechanical and/or electronic system (whether or not Your property) caused by:
- (i) the response of a Computer to any date or date change; or
 - (ii) the failure of a Computer to respond to any date or date change; or
 - (iii) any loss of, damage to, change or corruption in, data or software on a Computer or Computer system; or any Computer virus, or hacking into or degradation of, or breach of security in, or denial of access to, a Computer, Computer system, or Website.

Computer includes computer hardware, computer software, microchip, microprocessor, any electronic equipment, and any device that gives or receives electronic instructions or information.

15. **Pure Financial Loss** will mean any pecuniary or economic loss or expense.
16. **Retroactive Date** will mean the date stated in the Schedule.

SUBSECTION 1 – PUBLIC LIABILITY

This Subsection will indemnify You in accordance with the Indemnity Agreement for:

- A. Personal Injury to any person;
- B. Loss of, or damage to, Property;
- C. Obstruction, loss of amenities, trespass, nuisance, or interference with any right of way, light, air, or water; in respect of an Event after the Retroactive Date, occurring within the Geographical Limits defined below, and arising from any claim first made against You and notified to Hollard during the Period of Insurance.

GEOGRAPHICAL LIMITS

Will mean for the purposes of this Subsection

- (a) The Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi or in connection with Offshore work within the Continental Shelf around those countries;
- (b) Elsewhere in the World excluding United States of America and/or Canada and/or their possessions or protectorates but only in connection with the Business carried on by You at or from any premises situated in any of the countries specified in (a) above.

Hollard's total liability under this Operative Section of the Policy to pay all sums for which You are legally liable, including claimant's costs and expenses relating to any claimant or number of claimants in respect of an Event, and Defence Costs, will not exceed the Limit of Indemnity stated in the Schedule.

However, where the Limit of Indemnity states "in the annual aggregate", Hollard's total liability for all claims arising in any

one Period of Insurance will be limited to the stated amount irrespective of the number of Events giving rise to such claims.

EXCLUSIONS APPLICABLE TO SUBSECTION 1 ONLY

Notwithstanding anything to the contrary contained within this Policy, Hollard will not indemnify You under this Subsection against liability:

1. for loss of, or damage to, Property belonging to, or in Your care, custody, or control, other than:
 - (a) Employees' or visitors' personal effects;
 - (b) any premises (including contents), not being premises leased or rented to You, which are temporarily occupied by You for the purpose of carrying out work in or to such premises, but always excluding damage to Property being worked upon and arising out of such work.
2. arising from the ownership, possession, or use by or on Your behalf or an Employee of Yours, of:
 - (a) any mechanically propelled vehicle or attached trailer, while in use in circumstances where compulsory insurance or security is required by any road traffic legislation, but this exception will not apply to liability caused by:
 - (i) the loading or unloading of any such vehicle or trailer, arising beyond the limits of any carriageway or thoroughfare;
 - (ii) any self-propelled mechanical plant, or any machinery or apparatus attached to any other vehicle, while used as a tool of trade, other than in circumstances where such liability is governed by any road traffic legislation requiring compulsory insurance or security.
 - (b) any aircraft or other aerial device, hovercraft, watercraft, or offshore installation but this exception will not apply to liability caused by:
 - (i) hand propelled watercraft or sailing craft not exceeding 8 meters in length; or
 - (ii) watercraft not exceeding 25 meters in length, not owned by You but used by You for business entertainment purposes, with the exception of racing or trials; provided always that You are not entitled to an indemnity under any other policy.
3. arising from any Product, other than food or drink provided for consumption on Your premises.

EXTENSIONS APPLICABLE TO SUBSECTION 1 ONLY

Subject to all the terms, Exceptions, Conditions and Endorsements relating to this Section of the Policy, You will be indemnified as below. The total of all payments made under these extensions will be part of and not in addition to the Limit of Liability. The extensions are also subject to the Deductible as stated in the Schedule.

1. DAMAGE TO LEASED OR RENTED PREMISES

Notwithstanding Exception 1 to this Section, the indemnity provided under this Section will extend to include liability for accidental loss of, or damage to, premises (including fixtures or fittings) leased or hired by, or rented to, You under a written contract or agreement, but this extension will not apply to liability:

- (a) assumed by You under such contract or agreement, which would not have attached in the absence of such contract or agreement, unless agreed to in writing by Hollard;
- (b) for fire or any other peril against which such contract or agreement requires that insurance is effected;

- (c) arising out of breach of any term, condition, or warranty, under any other applicable insurance policy.

2. CROSS LIABILITY

If You comprises more than one party, Hollard will provide indemnity to each in the same manner and to the same extent as if a separate Policy had been issued to each; provided that the total liability of Hollard for all liability sustained by any or all of Your will not exceed the Limit of Indemnity stated in the Schedule applicable to this Subsection of the Policy.

3. AUTOMATIC ACQUISITIONS

The indemnity afforded by this Subsection of the Policy will apply automatically to all operations including premises, acquired, established or created during the Period of Insurance.

Provided always that:

- (a) You notify Hollard in writing with full underwriting information:
 - (i) within 90 days for new acquisitions where annual turnover is not more than 15% of Your last published annual turnover figure and there is no material alteration to the Business or risk;
 - (ii) as soon as practicable for new acquisitions other than as detailed in (i) above;
 - (iii) at the beginning of any new Period of Insurance if this is earlier than (i) or (ii) above;
- (b) turnover for the any new acquisitions will be declared in accordance with Specific Policy Condition 7 where this Subsection of the Policy is written on an adjustable basis;
- (c) Hollard reserves the right to:
 - (i) establish a separate rate and premium and if appropriate terms where the Subsection of the Policy is written on a nonadjustable basis and the total annual turnover of the new acquisitions represents an increase in turnover greater than 15% of the estimate provided at the beginning of the Period of Insurance; or
 - (ii) accept or deny coverage at the time of notification and to establish a separate rate and premium and if appropriate terms for any such coverage where the new acquisition represents a material alteration to the Business or risk;

4. LIABILITY BY AGREEMENT

This Subsection will also indemnify You against liability assumed by You under any contract entered into with or given to any rail service provider, government or quasi-government departments, provincial administrations, municipalities and/or similar bodies covering the use of railway sidings or in respect of cartage (hazardous premises) agreements and/or agreements of a similar nature.

5. MOVEMENT OF MOTOR VEHICLES

Notwithstanding the Exceptions applicable to Section 1 and anything else to the contrary in this Subsection of the Policy and risks insured under the Road Accident Fund Act 56 of 1996 (and/or as amended), this Subsection is extended to include liability arising through or in connection with the moving of any motor vehicle, trailer or caravan (not being Your property) by any person being an Employee or acting on Your behalf, provided that such movement of motor vehicles, trailers or caravans is undertaken to facilitate the carrying on of the Business.

6. SECURITY FIRMS

Notwithstanding Specific Policy Exception 3 of this Subsection, if in terms of a contract with a security firm engaged to protect Your Property or persons in the course of Your Business, You become legally liable for the acts or omissions of the employees of the security firm in the course of their employment, then this section includes such legal liability to the extent that indemnity would have been granted under Section 1, had the said employees been under a contract of service to You and not the security firm, but not exceeding the Limit of Indemnity stated in the Schedule.

If, at the time of an Event giving rise to a claim under this Subsection, the security firm is entitled to an indemnity under any other policy in respect of the same Event, Hollard will not be liable to make any payment except in respect of any amount above the amount payable under such other policy.

7. STATUTORY LEGAL DEFENCE COSTS

Hollard will pay legal costs incurred by You or at Your request by any director, partner (where You are a partnership) or Employee of Yours for the defence of a prosecution (including an appeal against a conviction) for a breach of statute or amending legislation with similar intent enacted within South Africa, committed or alleged to have been committed during the Period of Insurance in the course of the Business, provided that:

- (a) the prosecution arises out of an Event which is the subject of this Section;
- (b) Hollard will not be liable for fines or penalties of any kind;
- (c) You are not entitled to indemnity under any other policy;
- (d) the proceedings are not consequent upon any deliberate act or omission by:
 - (i) You;
 - (ii) any director or partner of Yours;
 - (iii) any Employee with any specific responsibility for compliance with any legislation which could reasonably have been expected to constitute a breach of the said legislation.

SUBSECTION 2 – PRODUCTS LIABILITY

This Subsection will indemnify You in accordance with the Indemnity Agreement for:

- A. Bodily Injury to any person;
- B. Loss of, or damage to, Property; caused by any Product of Yours, in respect of an Event after the Retroactive Date, occurring within the Geographical Limits defined below, and arising from any claim first made against You and notified to Hollard during the Period of Insurance.

GEOGRAPHICAL LIMITS

Will mean for the purposes of this Section:

- (a) The Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi or in connection with Offshore work within the Continental Shelf around those countries;
- (b) Elsewhere in the World excluding United States of America and/or Canada and/or their possessions or protectorates but only in connection with the Business carried on by You at or from any premises situated in any of the countries specified in (a) above.

Hollard's total liability under this Operative Section of this Section of the Policy for all claims arising in any one Period of Insurance, being "in the annual aggregate" as stated in the Schedule, will be limited to the stated amount irrespective of the number of Events giving rise to such claims.

EXCLUSIONS APPLICABLE TO SUBSECTION 2 ONLY

Notwithstanding anything to the contrary contained within this Policy, Hollard will not indemnify You under this Subsection against liability:

- (a) arising from any Product exported directly or indirectly to the United States of America and/or Canada and/or their respective possessions or protectorates; if such Product has, to Your knowledge, been exported to the United States of America and/or Canada and/or their respective possessions or protectorates by or on Your behalf
- (b) arising from any Product that is used on, or incorporated into or onto, any aircraft or aerial device, or is used to control the navigation or safety of any aircraft or aerial device;
- (c) arising from the cost of repair, alteration, recall or replacement of any Product or Products, including but by no means limited to, the containers, packaging or labels of the Product.

EXTENSIONS APPLICABLE TO SUBSECTION 2 ONLY

Subject to all the terms, Exceptions, Conditions and Endorsements relating to this Section of the Policy, You will be indemnified as below. The total of all payments made under these extensions will be part of and not in addition to the Limit of Liability. The extensions are also subject to the Deductible as stated in the Schedule.

AUTOMATIC ACQUISITIONS

The indemnity afforded by this Subsection of the Policy will apply automatically to all operations including premises, acquired, established or created during the Period of Insurance.

Provided always that:

- (a) You notify Hollard in writing with full underwriting information:
 - (i) within 90 days for new acquisitions where annual turnover is not more than 15% of Your last published annual turnover figure and there is no material alteration to the Business or risk;
 - (ii) as soon as practicable for new acquisitions other than as detailed in (i) above;
 - (iii) at the beginning of any new Period of Insurance if this is earlier than (i) or (ii) above;
- (b) turnover for the any new acquisitions will be declared in accordance with Specific Policy Condition 7 where this Subsection of the Policy is written on an adjustable basis;
- (c) Hollard reserves the right to:
 - (i) establish a separate rate and premium and if appropriate terms where the Subsection of the Policy is written on a nonadjustable basis and the total annual turnover of the new acquisitions represents an increase in turnover greater than 15% of the estimate provided at the beginning of the Period of Insurance; or
 - (ii) accept or deny coverage at the time of notification and to establish a separate rate and premium and if appropriate terms for any such coverage where the new acquisition represents a material alteration to the Business or risk;

SPECIFIC POLICY EXCEPTIONS APPLICABLE TO SUBSECTIONS 1 AND 2

In addition to General Exception 1 (War, riot and terrorism), 2 (Asbestos) and 3 (Nuclear) appearing at Section 1 (General Exceptions, Conditions and Provisions) of this Policy, and notwithstanding anything to the contrary contained within the Policy, Hollard will not be liable to indemnify You under Subsections 1 and 2 of this Section of the Policy against any liability:

1. EMPLOYEE

For Bodily Injury sustained by an Employee, which arises out of and/or in the course of his employment or engagement by You or any liability attaching to You by virtue of any workmen's compensation, unemployment compensation or disability benefits law or any similar law or regulation.

2. POLLUTION

Arising directly or indirectly from any Pollution Hazard arising:

- (a) in the United States of America and/or Canada and/or their respective possessions or protectorates;
- (b) elsewhere in the World, other than in those countries or territories referred to in (a) above, except where the Pollution Hazard results from a sudden, accidental, unexpected, and unintended, identifiable incident that takes place in its entirety at a specific identifiable time and place during the Period of Insurance;

Provided that, the indemnity granted will not extend to Events arising directly or indirectly from any Pollution Hazard that involves bacteria, moulds or other fungi (including but not limited to mildew or mycotoxins or spores or any other substance or product produced or released by moulds or fungi). Provided further that the total indemnity payable will be the Limit of Indemnity for Subsection 1.

3. CONTRACTUAL LIABILITY

That is assumed by You under a contract or agreement, unless such liability would have attached to You in the absence of the said contract or agreement.

This exception will include any liability that

- (a) arises under any penalty clause or in respect of fines or liquidated damages; or
- (b) arises out of the sole negligence of third parties; or
- (c) attaches by virtue of any waiver of subrogation rights against third parties; or
- (d) arises by reason of Personal Injury to any employee of third parties; Unless, once again, such liability would have attached to You in the absence of the said contract or agreement.

4. PROFESSIONAL SERVICES

Arising out of any act, error, or omission, in the provision for a fee of any advice, design services, instructions, or specification, but this Exception will not apply to first aid activities.

5. EFFICACY

Arising out of the failure of a Product, or any part thereof, to fulfil the purpose for which it was intended, or to perform as specified, warranted, or guaranteed; but this Exception will not apply to consequent Bodily Injury or loss of, or damage to, Property.

6. RECALL

Arising out of recalling, removing, repairing, replacing, reinstating, or the cost of, or reduction in value of, any Product, if such liability arises from any defect therein or the harmful nature or unsuitability thereof.

7. FINES PENALTIES AND PUNITIVE

For fines, penalties, punitive damages, or exemplary damages.

8. ADVERTISING

Arising out of any form of defamation or from malicious falsehood:

- (a) made by, or at the direction of, You, with knowledge of the falsity thereof, or
- (b) related to advertising, publishing, broadcasting, or telecasting activities, conducted by or on Your behalf.

9. TOXIC SUBSTANCES

Arising directly or indirectly from the manufacture, supply, installation, storage, ownership, possession, handling, use, repair, removal, stripping, dismantling, or disposal, of lead, formaldehyde, or polychlorinated biphenyl, or other materials, which You knows, or has reason to suspect, contains lead or formaldehyde or polychlorinated biphenyl.

10. SYSTEM FAILURE

Associated with, or caused by, a System Failure, if a System Failure forms an identifiable element in the chain of events from which the liability arises, whether or not it is the proximate cause of the liability.

11. PURE FINANCIAL LOSS

For Pure Financial Loss, unless such Pure Financial Loss is a direct result of Personal Injury or loss of, or damage to, Property, for which indemnity is provided by this Section of the Policy.

12. RETROACTIVE DATE

Arising out of or relating to any Event which occurs prior to the Retroactive Date.

13. DELIBERATE ACTS

Arising out of Personal Injury or loss of or damage to Property resulting from, whether directly or indirectly, a deliberate act or omission on Your part or any of Your Employees.

14. JURISDICTION

Arising out of Personal Injury or any loss of, or damage to, Property, in respect of judgments delivered or obtained in the first instance other than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Swaziland.

15. VIBRATION/SUPPORT

Arising out of Personal Injury or loss of or damage to Property resulting from, whether directly or indirectly the intentional removal of support of any Property.

SPECIFIC POLICY CONDITIONS

In addition to General Condition 1 (Misrepresentation, misdescription and non-disclosure), 2 (Other Insurance), 3 (Cancellation / Continuation of Cover), 5 (Prevention of loss), 6 (Claims), 7 (Company's rights after an event), 8 (Fraud) and 10 (Breach of Conditions) appearing at Section 1 (General Exceptions, Conditions and Provisions) of this Policy, the following Specific Policy conditions will apply to Sections 1 and 2 of this Section of the Policy. To the extent of any inconsistency between the General Conditions of this Policy and the Specific Conditions appearing below, the Specific Conditions will take precedent in respect of this Section of the Policy.

1. OBSERVANCE OF TERMS

You will abide by and fulfil all terms, Conditions and Endorsements of this Policy in so far as they relate to anything to be done or complied with by You. The truth of the statements, answers, and information, supplied in connection with this Policy will be a condition precedent to any liability of Hollard to indemnify You.

2. CLAIMS CO-OPERATION

It will be a condition precedent to liability that in respect of any circumstance notified to Hollard or any claim itself, You will:

- (a) provide Hollard with such particulars and information as Hollard may require, immediately on request;
- (b) forward to Hollard any communication, court process or documentation, or any other documents received relating to such circumstance or claim immediately on receipt;
- (c) give to Hollard all information and assistance required as soon as practicable, and, where Hollard has conduct of proceedings, within such time limits as are specified by Hollard's legal representatives;
- (d) make no admission of liability, payment, offer or promise of payment, or agree to compromise or indemnify or waive any right of subrogation or recovery, without the express prior written consent of Hollard.

3. CLAIMS CONTROL

Hollard will be entitled, at its own discretion, to take over and conduct in Your name the defence or settlement of any claim, and prosecute at its own expense, and for its own benefit, any claims for indemnity or damages against any other persons.

4. DEDUCTIBLE

The Deductible will be subject to the following provisions:

- (a) Where Hollard has incurred expenditure in the defence and/or settlement of any claim the Deductible will be payable in whole or in part:
 - (i) at any stage when in respect of a claim sums have been paid in respect of damages, claimant's and expenses and/or Defence Costs and loss adjusting expenses; or
 - (ii) at the settlement or closure of any claim; or
 - (iii) where at its own discretion Hollard so requires.
- (b) Hollard may at its own discretion, or where it is statutorily obliged to do so, pay sums falling within the Deductible to effect a settlement of any claim or potential claim, and, upon notification that such a payment has been made, You will immediately reimburse Hollard for the payment.
- (c) The terms of this Policy, including without limitation those governing Hollard's rights in relation to the conduct and defence of claims and Your duties in the event of a claim, will not be affected or modified in any way by the existence or application of the Deductible.

5. DISCHARGE OF LIABILITY

Hollard may at any time, at its own discretion, pay to You the Limit of Indemnity under this Policy, or any lesser sums for which any claim(s) can be settled, and Hollard, after the deduction of any sum(s) already paid in connection with such claim(s), will not be under further liability, except for the payment of Defence Costs and expenses already agreed and incurred. Provided that in the event of any claim(s) or series of claims resulting in a liability of Yours to pay in excess of the Limit of Indemnity, Hollard's liability by virtue of a judgment or settlement for such costs and expenses, will not exceed an amount being in the same proportion as the Limit of Indemnity bears to the total payment made by or on Your behalf in settlement of the claim(s).

6. ALTERATION OF RISK

You will give Hollard immediate written notice of any alteration which materially affects the risk insured, and Hollard will not be under any obligation to indemnify You in respect of any claim(s):

- (a) until Hollard has agreed in writing to accept the altered risk; and
- (b) You have paid or agreed to pay any additional premium required by Hollard.

7. ADJUSTMENTS

Where the premium is calculated on the statements and estimates furnished by You, it is a requirement that You will:

- (a) keep an accurate record of all relevant particulars and at any reasonable time allow Hollard to inspect such record;
- (b) within one month of the expiry of each Period of Insurance furnish to Hollard such information as Hollard requires for such expired period and the premium for such period will thereupon be adjusted by Hollard and the difference be paid by, or allowed to, You as the case may be subject to any agreed minimum premium.

8. LAW

This Policy is subject to and will be interpreted in accordance with the law of the Republic of South Africa.

9. AMENDMENT

No amendment to this Policy will be effective other than by way of a written endorsement issued and signed by Hollard to the Policy.

10. OFFSET OF PREMIUM

Hollard will be entitled, at its own discretion, to deduct from sums due to be paid in respect of claims admitted by Hollard under Sections 1 and 2 of this Section of the Policy, any sums owed to Hollard by You in respect of Premium(s) due under this Policy.

11. STANDARD EXTENDED REPORTING PERIOD

If this Section of the Policy is not renewed or is cancelled then You will have 30 days beyond the expiry date of the Period of Insurance in which to notify Hollard of any formal claim and/or writ and/or other demand for compensation or court process received prior to the expiry date of this Section of the Policy for any Event which happened after the Retroactive Date and within the Period of Insurance.

12. SPECIAL EXTENDED REPORTING PERIOD OPTION (To be exercised by You in writing in the event of non-renewal)

At Your option, which option must be exercised within 30 days of non-renewal of this Section of the Policy, and payment of the additional premium required by Hollard within 30 days, in respect of the period within which any claim or circumstance that may give rise to a claim in terms of this Section of the Policy is to be reported in terms of General Policy Condition 6 (Claims), Hollard agrees that notice given within 36 months (hereinafter referred to as the Special Extended Reporting Period Option) immediately following the expiry (non-renewal) of this Section will be regarded as having been reported on the last day preceding the expiry (non-renewal).

Holland.

The Holland Insurance Co. Ltd (Reg No 1952/003004/06) is an authorised Financial Services Provider