Specialised Buildings

CBC Policy Wording

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Underwritten by Guardrisk Insurance Company Limited (FSP No. 75) B-BBEE Level 1.

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PART 1

THE CIB SERVICE COMMITMENT

CIB (Pty) Ltd is underwritten by Guardrisk Insurance Company Limited. Established in 1994, **We** have expanded significantly, attributing **Our** growth to an extensive national presence, solid business partnerships and innovative products. **We** undertake to continuously provide professional conduct in underwriting **Your** insured risk and to provide **You** with exceptional claims service.

Should **You** have any query or complaint about this **Policy** or if **You** are in any way unhappy with the service **You** have received, please contact:

The Compliance Officer
Guardrisk Insurance Company Limited
PO Box 786015
Sandton 2146

Email: compliance@guardrisk.co.za

Alternatively, **You** can also refer to the **CIB COMPLAINTS AND COMPLIANCE INFORMATION** part of this **Policy** for guidance in respect of **Your** rights.

Terms that appear in **bold** face type have special meanings. Please refer to the definitions for more information.

Please note that wherever applicable words stated in the singular are inclusive of plural and vice versa.

PROTECTION AND SHARING OF PERSONAL INFORMATION

PROTECTION OF PERSONAL INFORMATION

Your personal information will only be processed in accordance with the legislation and principals contained in the Protection of Personal Information Act (POPIA). It is recorded that information relating to the parties to this **Policy** or to persons whose interests are protected by this **Policy** may be processed:

1. for the conclusion or performance of this **Policy**, or
2. to protect those interests, or
3. to comply with legal obligations, or
4. for pursuing **Our** legitimate interests or
5. in the interests of any third party to whom the information is supplied.

We will take all reasonable measures to ensure that **Your** personal information is safeguarded, stored and protected in accordance with POPIA and **We** will not misuse **Your** personal information for the purpose of any marketing campaigns or product offerings.

For further information please refer to **Our** Privacy Notice which is available on **Our** website www.cib.co.za.

SHARING OF INFORMATION

The South African Insurance Association (SAIA) created a shared database for storing insurance information. This shared information assists in limiting insurance fraud and to underwrite every risk fairly and to also to assess every risk.

By entering into this **Policy**, **You** appreciate, acknowledge and understand that **We** may obtain, reveal or share information (which may be inclusive of personal information) in order to investigate or assess any claim made under this **Policy** and for the purpose of preventing fraud and to underwrite **Your Policy**.

You warrant that:

1. **You** acknowledge that information for underwriting and claims purposes (for example, cover for items insured as well as the assessment of claims registered, however not limited to these examples), inclusive of credit information may be shared between Insurers / Insurance Providers and / or **Your** Insurance Broker / Intermediary and our service providers. The sharing of this information is required to conclude or perform in terms of this contract and /or the pursuing a legitimate interest and /or is in the best interest of the public as it enables Insurers / Insurance Providers and industry bodies to underwrite policies and assess risks fairly, to investigate and assess claims and to reduce the incidence of fraudulent claims with a view to limiting premiums and premium increases.

2. **You** acknowledge that the information provided by **You** may be stored in a shared database and used as set out above as well as for any decision pertaining to the continuance of **Your Policy** or the meeting of any claim **You** may submit.

3. **You** acknowledge that the information may be verified against legally recognised sources or databases.

4. **You** are aware of the fact that both credit information verification and / or criminal record checks may be requested by Insurers / Insurance Providers on the business, **Yourself** or any of **Your** directors, partners and / or employees.

YOUR RIGHTS

You are entitled to object to the use of **Your** personal information. However, such objection may result in **Us** being unable to facilitate insurance cover or to assess a claim in terms of the **Policy**.
You have the right to:

1. access **Your** information in accordance with the Promotion of Access to Information Act (2 of 2000) as substituted from time to time,

2. object to the processing of **Your** personal information,

3. lodge a complaint to the Information Regulator.

CORE INFORMATION & RESPONSIBILITIES OF THE POLICYHOLDER

It is important to understand that all parts of this **Policy** must be read in conjunction with the **Schedule**.
It is also important for **You** to understand the terminology that forms part of this **Policy** and to recognise the various limitations, **Terms and Conditions**.

The **Terms and Conditions** are the rules that **You** have to adhere to in order for the **Policy** to respond to a valid claim. These rules can be found in the **Policy**, **Schedule** and endorsements as well as any renewal correspondence containing notice of change to cover or requirements.

We have, as far as possible, endeavoured to present the **Policy** in plain language to not only offer **You** peace of mind, but to also ensure that **You** are and remain informed about **Our** various legal and operational procedures.

PROVIDE US WITH ACCURATE INFORMATION AND MATERIAL FACTS

ACCURATE INFORMATION

Although every effort is made to ensure the accuracy of all the covers pertaining to **Your** specific needs, **You** must verify that the **Schedule** accurately reflects:

1. the cover which **You** requested,
2. **Your** current contact as well as address information,
3. the correct nature of **Your Business** activities (inclusive of all subsidiary affiliations),
4. the **Insured Property** as well as the insured values thereof.

You must contact **Us** immediately should there be any amendments that **You** wish to make to the cover or to inform **Us** of any change in **Your** contact or address information, the nature of **Your Business** activities or the **Insured Property**.

This could affect the **Terms and Conditions** of the cover provided to **You**.

Your obligation to supply **Us** with accurate information is inclusive of information regarding **Your** financial situation, for example, debt review and insolvency inclusive of information regarding any criminal offences whether **Yours**, that of **Your** members, directors and partners, however not limited to these examples.

MATERIAL FACTS

You are required to disclose to **Us** all **Material Facts** at the commencement of the insurance cover under this **Policy** and at any renewal or variation of such insurance cover.

The **Material Facts** are inclusive of but not limited to:

1. having knowledge of an event / circumstances which may give rise to a claim under this **Policy**,
2. non-compliance with any laws,
3. financial soundness for example: debt review, insolvency, defaults, sequestration and / or judgments,
4. criminal offences,
5. manner of building construction for example: tiled roof vs. thatched,
6. any **Vacant** / abandoned or **Unoccupied** buildings,
7. location of insured premises,
8. previous claims history,
9. security measures implemented,
10. **Building** is let or sublet,
11. mergers and/or acquisitions,
12. any alterations, additions or improvements that are made to the **Building**. For example, if **Your Building** has a corrugated iron roof, **We** charge a specific premium for that. If **You** later have the roof thatched without telling **Us**, **We** would be receiving the incorrect premium because thatch can burn easier and is a greater risk. In such an event, **We** may avoid the **Policy**, a **Section** of the **Policy** or an item insured in terms of the **Policy** or reject **Your** claim under the **Policy**.

You are also required to disclose to **Us** any new **Material Facts** or changes in the **Material Facts** after the commencement of the insurance cover under this **Policy** and throughout the period in which such insurance cover is in force as this may affect whether **You** are entitled to insurance cover under this **Policy**, the premium to be charged for such insurance cover and other **Terms and Conditions** on which such insurance cover is provided to **You**.

You must inform **Us** immediately of any change in the risk covered by this **Policy**. Should there have been any material change in the risk, then **We** may amend the cover and premium from the date of the change or cancel the cover.

Please note that:

1. any proposal and declaration made by **You** or on **Your** behalf is part of the information and **Material Facts** which **We** rely upon in **Our** decision to accept the risk under this **Policy**, the **Terms and Conditions** which will apply and the premium to be charged.

2. If **You** fail to comply with **Your** above stated obligations in relation to accurate information and / or **Material Facts**, **We** may be entitled to void the entire **Policy**, a **Section** of the **Policy** or an item insured in terms of the **Policy** or reject any claim under this **Policy**.

DUTY TO TAKE REASONABLE STEPS AND PRECAUTIONS

You are obligated to undertake all reasonable measures and precautions to prevent and / or minimise the risk of any event that may lead to a claim or losses indemnifiable under this **Policy** to the greatest extent possible and to act as if **You** are not insured.

Your Policy does not replace the need to undertake regular normal preventative maintenance and repair to **Your Insured Property.**

Your Policy is not a maintenance contract and it only provides cover for sudden and unexpected losses or **Damage** to the **Insured Property** described in the **Schedule**.

Your Policy does not cover **Damage** caused by, resulting from or in any way connected to normal wear and tear, lack of maintenance and **Your** failure to take reasonable precautions to prevent loss or **Damage**.

If **You** fail to comply with **Your** above stated obligations to take all reasonable steps and precautions, **We** will be entitled to reject any claim under this **Policy**.

CIB COMPLAINTS AND COMPLIANCE INFORMATION

Please refer to the Statutory Disclosure Notice contained at the end of **Your Schedule** for details regarding **Our** Compliance and Complaints information.

As all **Complaints** should be submitted in writing, where possible, **We** kindly request that **You** either complete **Our** online form on **Our** webpage www.cib.co.za , or alternatively **You** may email **You**r complaint to **Us** at complaints@cib.co.za

Kindly ensure that all supporting documents are attached to **Your Complaint** to enable **Us** to attend to **Your** concerns timeously

PART 2

GENERAL OPERATIVE CLAUSE

Subject to **You** having paid the premium and **You** complying with all the **Terms and Conditions** of this **Policy**, **We** agree to provide **You** with the insurance cover as set out in the **Sections** selected by **You**. Should any of the events detailed in the **Sections** that **You** have selected occur during the **Policy** period then **We** will either repair, replace or reinstate the damage or pay **You** in cash subject always to the **Terms and Conditions**, Specific Exclusions, **Sums Insured**, **Excesses** and **Limits of Indemnity**.

If **We** accept **Your** application for insurance, **You** will receive a **Schedule** that sets out details of the cover **You** have taken out and **Our** agreement with **You** comprises of **Your** application, this **Policy**, the **Schedules** and any **Variations We** send **You**.

The insurance applies to the **Period of Insurance** for which **You** have paid **Us** the premium. **You** cannot make a claim under this **Policy** if **You** owe us more than one month's premium or the annual premium (Refer to General Condition headed Policy Period and Payment of Premium) when the event **You** want to claim for happened.

If **We** pay **You** in cash, **You** are obligated to carry out the repair or replacement within a reasonable period of time. **We** will not increase the amount payable if the cost of repair or replacement has increased because **You** did not carry out the work timeously or if **You** are unable or unwilling to carry out repair or replacement.

We are not obliged to pay for more than the cost of repairing or replacing that part of the **Insured Property** that has been **Damaged**.

DEFINITIONS AND WORDS THAT HAVE A SPECIAL MEANING

In this **Policy**, there are words that have a special meaning. Some **Sections** are inclusive of Specific Definitions so these General Definitions should be read in conjunction with the Specific Definitions. Those words that have a special meaning that apply to all **Sections** of the **Policy** are set out and defined below.

1.	**Accident / Accidental** :	means a fortuitous and unexpected event occurring at an identifiable place and time.
2.	**Aircraft:**	means any vessel, craft or thing made or intended to fly or move in or through the atmosphere or space inclusive of Drones.
3.	**Asbestos:**	means asbestos, asbestos fibres, any product derived from asbestos, any product containing asbestos, asbestos fibres and / or any product derived from asbestos.
4.	**Annual Period**:	means the 12-month period from the inception date (also known as the start date or commencement date) of **Your Policy** until the next **Renewal Date** stated on **Your Schedule**.
5.	**Building(s)**	means the **Building(s)** specified in the **Schedule** at the **Situation** which **You** own or for which **You** are **Legally Responsible** and which are of **Standard Construction**, inclusive of **Owners Fixtures and Fittings** therein and thereon, plant, equipment and other structures and improvements of a permanent nature, walls (except dam walls) gates, posts and fences (except hedges), brick, tarred, concrete or paved roads, driveways, parking areas and paths and fire extinguishing equipment. **We** do not insure any property installed by or belonging to a **Tenant**.

6.	**Burst pipe:**	means there is a sudden and violent failure of the **Pipe**. For the purpose hereof a burst is not a leak or the result of a leak. **We** do not cover the repair or replacement of leaking **Pipes**. If the **Damage** caused by a leaking **Pipe** is exacerbated by a delay in reporting the matter to **Us** then **We** may only pay a portion of the cost or nothing at all.
7.	**Business**	means the nature and scope of **Your** activities as specified in the **Schedule**.
8.	**Computer System:**	means: **8.1.** any computer, hardware, software, communications system, electronic device (inclusive of, but not limited to, smart phones, laptops, tablets, wearable devices), server, cloud, or **8.2.** microcontrollers inclusive of any similar system or any configuration of the aforementioned, and inclusive of any associated input, output, data storage device, networking equipment or back up facility owned or operated by You or any other party.
9.	**Damage or Damaged:**	means **Accidental**, sudden and unforeseen, physical, loss, damage or destruction of **Insured Property** provided that the event causing such **Damage** is not excluded from cover.
10.	**Electronic Data**:	means information, facts, concepts, code, programs stored as or on, created or used on, or transmitted to or from computer software, inclusive of systems and applications software or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a **Computer System**, data processing devices or any other media which are used with electronically controlled equipment.
11.	**Electrical Installations:**	means machinery and equipment, in or on any **Situation**, that is used for the transmission of electrical energy from a point of control to a point of consumption anywhere on the premises, inclusive of any article that forms part of such an installation, irrespective of whether or not it is part of the electrical circuit.
12.	**Excess(es):**	means the amount that **You** are required to contribute towards a claim. This is also sometimes referred to as the first amount payable or amounts payable by **You**.
13.	**Exterior Fixtures and Fittings:**	means external pipes, externally mounted air-conditioners, walls, gates and fences and other immovable property that is not contained inside the **Building(s)**.
14.	**Indemnity:**	means placing **You** in the same position **You** were in had the **Damage** not occurred. Always subject to the **Terms and Conditions** of this **Policy**. The **Policy** is designed to provide financial compensation in the event of something happening which has been insured against. **You** may not profit from a claim.

15.	**Insured Property:**	means the **Building(s)** and other specified items at the **Situation** as noted in the **Schedule.**
16.	**Insurable Interest:**	means that **You** are the owner of, or alternatively, the good faith possessor in terms of a credit agreement of the **Insured Property** and bear the risk of both, loss of the item as well as a financial loss.
17.	**Installed Solar System:**	means a system comprising of a solar panel array, inverter and other electrical hardware which has been installed by a **Suitably Qualified Electrician**. Such system comprises of either an **Electrical Installation** (inclusive of but not limited to inverters and generators) or one or more solar panels that uses energy from the sun combined with **Electrical Installation**s or battery power to generate electricity.
18.	**Landscaping:**	means services and / or work centred around removing and replacing trees, shrubs, plants, lawns and rockwork following **Damage**.
19.	**Landslip:**	means the downward and / or sideways movement of sloping ground resulting from the action of self-weight stresses and imposed loadings exceeding the available strength of the ground.
20.	**Law:**	means any law inclusive of Common Law, Statute, Constitution, Decree, Judgment, Treaty, Regulation, Directive, By-Law, order or any other measure of any Government, Local Government, Statutory or Regulatory Body or Court having the force of law
21.	**Leaking Pipe:**	means leakage of a **Pipe** resulting mainly from wear, tear, gradual deterioration, a flaw or latent defect in the **Pipe** or faulty or defective materials.
22.	**Legally Responsible:**	means that **You** have both an **Insurable Interest** and are accountable from a legal obligation in respect of **Insured Property** and / or underground services such as water and sewage **Pipes**, telecommunication and power cables at the **Situation** insured under this **Policy**.
23.	**Limit of Liability:**	means the limit of **Our Liability** for any one loss or series of losses arising out of one event that is applicable to a **Section** of the **Policy**.
24.	**Loadshedding:**	means the planned supply interruption by a National, Regional, Municipal, Local and / or Private entity / body / company who governs, directs, has control and / or provides electricity to **You** or anyone else.
25.	**Material Fact:**	means any information or fact, irrespective whether specifically asked for or not, which could influence **Our** acceptance of the risk under this **Policy**, the **Terms and Conditions** which will apply or the premium to be charged for such risk.
26.	**Malicious Damage:**	means **Damage** to **Your** movable or immovable property noted in the **Schedule**, caused intentionally by or through or in consequence of any deliberate, wilful, or wanton acts of any person through visible and / or forcible means. **Malicious Damage** is not inclusive of: **1.** any **Damage** related to or caused by fire or explosion,

2. any **Damage** intentionally caused by **You** or any other person deemed to be insured in terms of the **Policy**,
3. any **Damage** to **Insured Property** in the process of being stolen, inclusive of parts and/or components of such **Insured Property**,
4. any **Damage** to **Insured Property** while thieves are gaining entrance to or exit from the **Situation** or **Insured Property** thereto,
5. any removal or partial removal, demolition, attempted demolition, or partial demolition of **Your Insured Property**,
6. any consequential or indirect **Damage** of any kind, except for loss of rent where specifically insured,
7. any **Damage** resulting from events listed under the General Exclusions or events listed under any Specific Exclusion relevant to any **Section** of the **Policy**.

27. Material Damage Perils: means fire, lightning, explosion, storm, wind, water, hail, snow, impact, earthquake or any other natural catastrophe.

28. Money: means:

28.1. cash, bank and currency notes but does not include anything which is not recognised as regulated currency, nor does this extend to any form of cryptocurrency.

28.2. other instruments of a negotiable / monetary nature, **Your** property or property for which **You** are **Legally Responsible** but excluding recharge vouchers such as, however not limited to, cellular phone pre-paid airtime and electricity vouchers.

29. Part: means **Part 1, Part 2 or Part 3** of this **Policy** (as used in the context of the **Policy** structure)

30. Pipe: means a cylinder or tube which forms part of the water or gas reticulation system in the insured **Building**. A **Pipe** is inclusive of all immediate attachments such as connections, valves, junctions and stop cocks. For the purpose of this **Policy** taps, faucets, shower and bath traps, shower roses and irrigation systems do not constitute a **Pipe**.

31. Policy: means the contract of insurance between **Yourself** and **Us** which comprises of this **Policy**, the **Schedule of Insured Values**, information submitted by **You** when applying for this insurance, the **Schedule** and any document issued by **Us** varying the **Policy** cover.

32. Period of Insurance: means the period as stated on **Your Schedule** during which the insurance cover provided by **Us** is in force.

33. Policy Territory: means the Republic of South Africa.

34. Pollutants: means any solid, liquid, gaseous or thermal irritant or contaminant, inclusive of but not limited to smoke, vapours, soot, fumes, acids, alkalis, chemicals and waste. Waste inclusive of material to be recycled, reconditioned or reclaimed.

35. Power Surge: means an unexpected, temporary (meaning short duration) increase in voltage (voltage spikes), current (current spikes), or transferred energy (energy spikes) in an electrical circuit.

36.	**Premium:**	means the monetary amount payable by **You** as is specified in the **Schedule** to the **Policy**.
37.	**Proposal:**	means the information submitted by **You** or on **Your** behalf (together with all accompanying or supplementary information and **Material Facts**) which **We** have relied on to enter into this **Policy**.
38.	**Renewal Date:**	means that the current **Policy** will expire and be replaced effective from the date shown on **Your Schedule**. If the **Policy** is to remain in effect, the **Policy** must be renewed before the **Renewal Date** according to the **Terms and Conditions** agreed.
39.	**Retaining Wall:**	means a structure designed to restrain soil to an unnatural slope. A **Retaining Wall** must be specifically designed for the purpose intended. In the event of a claim, **You** will be asked to provide **Us** with the original plans and specifications by the architect or consulting engineer who designed the wall.
40.	**Schedule:**	means the document that sets out the details of **Your** insurance cover, **Sums Insured**, **Limits of Indemnity**, **Excesses**, **Terms and Conditions**. **We** issue a new **Schedule** every time the cover is renewed or changed.
41.	**Section:**	means those **Sections** listed the index of this **Policy** which is set out in **Part** 3 hereof and only applies if shown in the **Schedule** with a related premium and which must be read in conjunction with **Part** 1 and **Part** 2 of this **Policy**.
42.	**Settlement:**	means the downward movement of a site due to the application of super-imposed loading from a **Building** or the failure of ground compaction or foundations upon which the **Building** is constructed.
43.	**Situation:**	means the location stated in the **Schedule** where the **Insured Property** is this can also be referred to as the risk address.
44.	**Sub Limit of Liability:**	means the maximum amount **We** will pay for a particular benefit, item, loss or claim within a **Section** of the **Policy**.
45.	**Subsidence:**	means the sudden and unforeseen downward movement of a site on which a **Building** stands from a cause unconnected with the loading from a **Building**.
46.	**Suitably Qualified Electrician:**	means a licenced electrician who has completed a formal qualification in order to fulfil competency requirements essential by law and in conjunction with relevant work experience as is necessary to perform the job for which they are employed. Such licenced electrician must be registered in terms of the Electrical Installation Regulations (2009) as amended from time to time and must either be a licenced electrician or must employ one as a contracting firm or individual in their full time employ for the purpose of fulfilling **Electrical Installations**.
47.	**Standard Construction:**	means the **Building** of which walls are built of brick, stone or concrete and are roofed with slate tiles, concrete, asbestos or metal. Any construction which is non-standard, such as but not limited to thatch, shingles and wood must be referred to **Us** beforehand and **We** must accept this in writing before any cover will be granted, irrespective

of whether this applies to the main **Building** or any other part of the structure (such as lapas, gazebos and similar) to which this **Policy** applies.

48. Sum Insured: means the monetary amount of the **Insured Property** / liability as shown in the **Schedule**, subject to the limits applicable.

49. Tenant: means an individual or entity that occupies or rents the **Building(s)** from **You** in exchange for the right to use and legally occupy same. The **Tenant** typically pays rent to **You** according to the terms outlined in a lease or rental agreement. The rental or lease agreement specifies the duration of the tenancy, the agreed-upon rental amount and any other terms and conditions governing the use of such **Building(s)**.

50. Terms and Conditions: means all the terms, conditions, General and Specific Exclusions, Extensions, Limitations and all other clauses forming part of this **Policy**.

51. The Company / We / Our / Us: means Guardrisk Insurance Company Limited and / or CIB (Pty) Ltd the Underwriting Manager on its behalf.

Guardrisk is a registered Insurer for the purposes of the Short-Term Insurance Act No 53 of 1998 (as amended) and a licensed Financial Services Provider for the purposes of the Financial Advisory and Intermediary Services Act No 37 of 2002 (as amended from time to time) [FAIS].

52. Unoccupied: means that the **Building(s)** is / are empty, disused, unfurnished or no longer in active use by **You** or a **Tenant**.

Building(s) will be deemed **Unoccupied** if it has been vacated and there is no current occupant even if a lease has been signed by a new **Tenant** to take occupancy at a future date. Contractors / security guards being on site or sleeping at the **Situation** as stated in the **Schedule** does not constitute occupancy.

53. Vacant: means that the **Buildings** (or individual sections thereof) at the **Situation** as stated in the **Schedule** are left empty and / or are unattended and / or no business operations are taking place and / or such premises are unlawfully occupied. Unless **You** have previously notified **Us** and **We** have specifically agreed to such in writing.

54. Variation: means any amendment requested by **You** inclusive of any person acting on **Your** behalf to effect changes to an item / **Section** or any amendment which **We** introduce.

55. Vehicle: means any type of machine on wheels or on caterpillar tracks made or intended to be self-propelled by mechanical power. **Vehicle** does not include ride on mowers and golf carts used at the **Situation**.

56. Watercraft: means any vessel, craft or thing made or intended to float on or in or travel on, through or under water.

57. You, Your, Yours, Yourself: means the insured as detailed in the **Schedule** and no other person/ entity for the purpose of this **Policy** (unless **We** have previously agreed to this in writing.)

TERMS AND CONDITIONS

Aspects common to all **Sections** of the **Policy** are grouped together to avoid repetition.

Your Policy comprises of General and Specific **Terms and Conditions**, General and Specific Exclusions, Extensions and Definitions.

General **Terms and Conditions** apply to the entire **Policy** whereas **Section** specific **Terms and Conditions** apply only to the particular **Section** to which they are relevant.

If there is any conflict between the **Terms and Conditions** that apply to a specific **Section** and the **Terms and Conditions** that apply to the **Policy**, the **Terms and Conditions** that apply to the specific **Section** will prevail.

The **Schedule** is separated into individual **Sections** that pertain to each class of cover. Each **Section** provides detailed information as to the **Sums Insured** and **Limits of Indemnity** applicable to that **Section**.

YOUR SUM INSURED

You are responsible for ensuring that the property is insured for its full replacement value. The replacement value should be inclusive of debris removal costs, professional fees and Value Added Tax. This value must be for reinstatement of the **Building(s)** or a portion thereof at the time when reinstatement is completed and not the time of the loss. **We** provide at no additional cost an extra 20% inflation cover to provide for the increase in building costs between the date of loss and the date of reinstatement.

BUILDING VALUATIONS

We do not undertake valuations as part of **Our** contract with **You** but **We** are able to refer **You** to suitably qualified persons and companies who can provide a professional valuation of **Your Insured Property**.

VARIATIONS TO YOUR POLICY

You can request a **Variation** to the **Policy** at any time bearing in mind that any **Variation You** propose may require **Us** to amend the **Terms and Conditions** of the **Policy** potentially impacting the premium **You** need to pay.

In certain instances, **We** will make changes to the **Policy** or impose certain **Terms and Conditions** (refer to General Conditions headed: Corrective Action and Suspension of Cover), in these cases **We** will provide **You** with 31 days' written notice to **Your** agent / broker of **Our** intention to amend the **Policy** and the reasons for doing so.

If there is a change to **Material Facts**, **We** are entitled to effect **Variations** immediately.

No **Variations** in this **Policy** will be valid unless agreed to by **Us** in writing and these will only be valid if **We** have issued a **Schedule** noting such **Variations** in cover.

GENERAL EXCLUSIONS

All the exclusions listed below are paramount and override anything contained in the **Policy / Schedule** and any Endorsement thereto which are inconsistent therewith.

No cover is provided in terms of any of the following:

1. WAR, RIOT AND TERRORISM EXCLUSION

1.1. This **Policy** does not cover any claim, cost, liability, loss or damage directly or indirectly caused by, happening through or occasioned by, in connection with or in consequence of:

1.1.1. war, invasion, act of foreign enemy, hostilities, or warlike operations (whether war be declared or not) or civil war, mutiny, civil commotion assuming the proportions of or amounting to popular rising,

1.1.2. military uprising, insurrection, rebellion, revolution, military or usurped power, martial law, confiscation or requisition, expropriation, nationalisation or destruction of or damage of property by or under the order of any Government or public or local authority, or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege,

1.1.3. abandonment and / or dispossession (temporary or permanent) due to detention, confiscation, seizure, requisition, expropriation, restraint, commandeering, nationalisation, appropriation, destruction of or damage to property by or under order of any government de jure or de facto or by any public or local authority,

1.1.4. 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 aforegoing,

1.1.5. 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,

1.1.6. any act intended 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,

1.1.7. any attempt to perform any act referred to in (1.1.1.) to (1.1.6.) above.

1.1.8. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause (1.1.1.) to (1.1.7) above.

If **We** allege that, by reason of clause (1.1.1.) to (1.1.8.) of this Exclusion, loss or damage is not covered by this **Policy**, the burden of proving the contrary will rest with **You**.

1.2. 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.

1.3. Regardless of any provision to the contrary within this **Policy** or any endorsement thereto, this **Policy** does not cover any liability, loss, cost or expense caused by any **Act of Terrorism** that is directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with the use or release, or threat thereof, of any nuclear weapon or device or chemical, biological, or radiological agent, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

For the purpose of this exclusion, an **Act of Terrorism** means any actual or threatened violent act or act harmful to human life, tangible or intangible property or infrastructure, directed towards or having the effect of :

1.3.1. influencing or protesting against any de jure or de facto government or policy thereof or

1.3.2. intimidating, coercing or putting in fear a civilian population or section thereof.

In any action, suit or other proceedings where **We** allege that by reason of this exclusion loss, damage or expense is not covered by this **Policy**, the burden of proving that such loss, damage or expense is covered will rest upon **You**.

2. NUCLEAR AND INSTITUTE RADIOACTIVE CONTAMINATION EXCLUSION

For the purpose of this exclusion the below mentioned definitions bear reference and apply:

2.1. High Radioactivity Zone or Area: means:

2.1.1. for nuclear power stations and **Nuclear Reactors**, the vessel or structure which immediately contains the core (inclusive of its supports and shrouding) and all the contents thereof, the fuel elements, the control rods and the irradiated fuel store, and

2.1.2. for non-reactor **Nuclear Installations**, any area where the level of radioactivity requires the provision of a biological shield.

2.2. Nuclear Energy Risks: means:

2.2.1. any **Property** on the site of a nuclear power station, **Nuclear Reactor**, reactor buildings and plant and equipment therein and thereon and / or on any site other than a nuclear power station.

2.2.2. all **Property**, on any site (inclusive of but not limited to the sites referred to in (2.2.1. above) used or having been used for the generation of nuclear energy or the production, use or storage of **Nuclear Material**.

2.2.3. any other **Property** eligible for cover in terms of this **Policy**,

2.2.4. the supply of goods and services to any of the sites described in (2.2.1) and (2.2.3) above due to the perils of irradiation and contamination by **Nuclear Material.**

2.3. Nuclear Material: means **Nuclear Fuel**, other than natural uranium and depleted uranium, capable of producing energy by a self-sustaining chain process of **Nuclear Fission** outside a **Nuclear Reactor**, either alone or in combination with some other material; and **Radioactive Products or Waste.**

2.4. Nuclear / Radioactive Products / Waste: means:

2.4.1. any radioactive material produced in, or any material made radioactive by exposure to the radiation incidental to the production or utilisation of **Nuclear Fuel** but does not include radioisotopes which have reached the final stage of fabrication so as to be usable for any scientific, medical, agricultural, commercial or industrial purpose, and

2.4.2. **Radioactive Products / Waste** as stated in (2.4.1.) above.

2.5. **Nuclear Installation:** means:

2.5.1. any **Nuclear Reactor**,

2.5.2. any factory using **Nuclear Fuel** for the production of **Nuclear Material**, or any factory for the processing of **Nuclear Material**, inclusive of any factory for the reprocessing of irradiated **Nuclear Fuel**, and

2.5.3. any facility where **Nuclear Material** is stored.

2.6. **Nuclear Reactor:** means any structure containing **Nuclear Fuel** in such an arrangement that a self-sustaining chain process of **Nuclear Fission** can occur therein without an additional source of neutrons.

2.7. **Nuclear Fission:** means a nuclear reaction in which a heavy nucleus splits spontaneously or on impact with another particle with the release of energy.

2.8. **Nuclear Fusion:** means a nuclear reaction in which atomic nuclei of low atomic number fuses to form a heavier nucleus with the release of energy.

2.9. **Nuclear Radiation:** means the absorption of electromagnetic radiation by a nucleus having a magnetic moment when in an external magnetic field.

2.10. **Nuclear Fuels:** means a substance that will sustain fission chain reaction so that it can be used as a source of nuclear energy.

2.11. **Nuclear Explosives:** means an explosive involving the release of energy by **Nuclear Fission** or **Nuclear Fusion**, or both.

2.12. **Nuclear Weapon:** means a nuclear device designed, used or usable for inflicting bodily harm or **Property** damage.

2.13. **Production, Use or Storage of Nuclear Material:** means the production, manufacture, enrichment, conditioning, , processing**,** reprocessing, use, storage, handling, and disposal of **Nuclear Material**.

2.14. **Property:** For the purpose of this exclusion: means all land, buildings, structures, plant, equipment, vehicles, contents (inclusive of but not limited to liquids and gases) and all materials of whatever description whether fixed or not.

A. This **Policy** does not cover any loss, destruction, damage, claim, cost, expense, bodily injury, liability or consequential loss of whatsoever nature resulting from or arising from whether directly or indirectly caused by or arising out of:

(i) **Nuclear Energy Risks,** ionising radiations or contamination by radioactivity from any **Nuclear Fuel** or from any **Nuclear Waste** from the combustion of **Nuclear Fuel**,

(ii) the combustion or use of **Nuclear Fuel**, **Nuclear Material**, **Nuclear Fission** or **Nuclear Fusion**, **Nuclear Radiation**, **Nuclear Explosives** or any **Nuclear Weapon**, **Nuclear Waste** in whatever form.

(iii) any **Property** in the **High Radioactivity Zone or Area** or any **Nuclear Installation** as from the introduction of **Nuclear Material** or for reactor installations as from fuel loading,

(iv) the radioactive, toxic, explosive or other hazardous or contaminating properties of any **Nuclear Installation**, **Nuclear Reactor** or other nuclear assembly or nuclear component thereof:

(v) any weapon of war employing atomic or **Nuclear Fission** and / or **Nuclear Fusion** or other like reaction or radioactive force or matter.

B. For the purpose of this Exclusion only, combustion will be inclusive of any self-sustaining process of **Nuclear Fission**.

3. CYBER LOSS LIMITED EXCLUSION (PROPERTY) LMA5410

For the purpose of this exclusion the below mentioned definitions bear reference and apply:

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

3.2. Crisis Management: means any notification costs, crisis consultancy costs, credit monitoring expenses, replacement of actual credit or payment cards, forensic expenses, public relations expenses or legal advice and services arising out of or in connection with a **Data Breach**.

3.3. Cyber Act: means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System** or **Data** by **You** or anyone else.

3.4. Cyber Incident: means:

3.4.1. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System** whether by **You** or anyone else; or

3.4.2. any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System** or **Data** by **You** or anyone else, or

3.4.3. any **Malware or Similar Mechanism**.

3.5. Data: means information, facts, concepts, codes or any other information of any kind or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment / **Computer Systems.**

3.6. Data Breach: means:

3.6.1. the theft, loss, access to, acquisition of, or unauthorised or unlawful use or disclosure of any person's or organisation's confidential or personal information, inclusive of patents, trade secrets, processing methods, customer lists, financial information, credit or payment card information, health information, biometric data or any other type of non-public information, involving access to, processing of, use of or operation of any **Computer System**; or

3.6.2. the violation of any statute, regulation, common-law, or any other law regulating or protecting access to collection, use or disclosure of, or failure to protect any non-public confidential or personal information in the form of **Data**.

3.7. Insured Perils: means physical damage which is directly occasioned by fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow.

3.8. Malware and Similar Mechanism: means any programme code, programming instruction or other set of instructions constructed with the purpose or ability to damage, interfere with or otherwise adversely affect **Computer Systems**, computer programmes, data files, **Data** or operations (inclusive of but not limited to Virus, Trojan Horse, Logic Bombs or Denial of Service Attacks).

3.9. Time Element Loss: means business interruption, contingent business interruption or any other consequential losses

A. Regardless of any provision to the contrary within this **Policy** or any endorsement thereto, this **Policy** excludes all loss, damage, legal liability, cost, expense, fines, penalties or **Time Element Loss** of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

(i) any loss of, alteration of, or damage to or a reduction in the functionality, availability or operation of a **Computer System**, unless subject to the provisions of paragraph (B),

(ii) any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any **Data**, including any amount pertaining to the value of such **Data.**

(iii) a **Cyber Act** or **Cyber Incident** inclusive of but not limited to, any action taken in controlling, preventing, suppressing, or remediating any **Cyber Act** or **Cyber Incident**, as well as,

(iv) any **Data Breach**, or **Crisis Management**, any loss of use, reduction in functionality, repair, replacement, restoration, reproduction, or theft of **Data**, regardless of any other cause or event contributing concurrently or in any other sequence thereto.

B. This General Exclusion will not apply to accidental, physical, sudden and unforeseen damage to and / or loss or destruction of the **Insured Property** (excluding **Data**) caused by an **Insured Peril** directly occasioned due to a **Cyber Incident**. However, any **Time Element Loss** and all legal liability resulting therefrom remains excluded.

4. CYBER AND DATA LIMITED EXCLUSION LMA5476 (APPLICABLE TO ALL CASUALTY CLASSES)

For the purpose of this exclusion the below mentioned definitions bear reference and apply:

4.1. Bodily Injury: means the term as defined in any **Section** of the **Policy** inclusive of mental injury, mental anguish or mental disease resulting directly from actual **Bodily Injury.**

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

4.3. Crisis Management: means any notification costs, crisis consultancy costs, credit monitoring expenses, replacement of actual credit or payment cards, forensic expenses, public relations expenses or legal advice and services arising out of or in connection with a **Data Breach**.

4.4. Cyber Act: means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any **Computer System** or **Data** by **You** or anyone else.

4.5. Cyber Incident: means:

4.5.1. any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any **Computer System** whether by **You** or anyone else; or

4.5.2. any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any **Computer System** or **Data** by **You** or anyone else, or

4.5.3. any **Malware or Similar Mechanism**.

4.6. Data Breach: means:

4.6.1. the theft, loss, access to, acquisition of, or unauthorised or unlawful use or disclosure of any person's or organisation's confidential or personal information, inclusive of patents, trade secrets, processing methods, customer lists, financial information, credit or payment card information, health information, biometric data or any other type of non-public information, involving access to, processing of, use of or operation of any **Computer System**; or

4.6.2. the violation of any statute, regulation, common-law, or any other law regulating or protecting access to collection, use or disclosure of, or failure to protect any non-public confidential or personal information in the form of **Data**.

4.7. **Data** : means information, facts, concepts, codes or any other information of any kind or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment / **Computer Systems.**

4.8. **Property Damage:** means physical damage which is directly occasioned by fire, lightning, explosion, aircraft or vehicle impact, falling objects, windstorm, hail, tornado, cyclone, hurricane, earthquake, volcano, tsunami, flood, freeze or weight of snow.

A. Regardless of any provision to the contrary within this **Policy** or any endorsement thereto this **Policy** excludes all actual or alleged loss, damage, legal liability, claim, fines, penalties, **Bodily Injury**, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any:

(i) **Cyber Act** or **Cyber Incident** including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any **Cyber Act** or **Cyber Incident**

(ii) **Data Breach**; or

(iii) loss of use, reduction in functionality, repair, replacement, restoration, reproduction, loss of, damage to, corruption of, inability to access or inability to manipulate or theft of any **Data**, including any amount pertaining to the value of such **Data** regardless of any other cause or event contributing concurrently or in any other sequence thereto.

B. For the avoidance of doubt, this **Policy** also excludes all **Crisis Management Costs** howsoever arising.

Nothing contained in the foregoing will provide any coverage for any action taken in controlling, preventing, suppressing or remediating a **Cyber Incident** or a **Cyber Act**.

5. ASBESTOS EXCLUSION

Applicable to **Section** 4: Public Liability and **Section** 5: Employers Liability of this **Policy**.

Regardless of any provision stated in this **Policy** inclusive of any Exclusion, Extension or other Provision which would otherwise override a General Exclusion, this **Policy** does not cover any legal liability, loss, **Damage**, cost, or expense whatsoever, or any consequential loss 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.

6. CONSEQUENTIAL OR INDIRECT DAMAGE AND / OR LOSS

Subject to the Cover Provided noted under each **Section**, **We** will not provide cover to **You** for consequential or indirect loss or **Damage** of any kind or description whatsoever, inclusive of loss of market value or depreciation other than those specifically stated to be included in this **Policy** or where **We** have agreed otherwise.

7. FRAUDULENT SCHEME, TRICK, DEVICE OR FALSE PRETENCE

Except for cover provided under **Section 7**: Fidelity Guarantee and Computer Fraud insured hereby, this **Policy** does not cover loss or **Damage** directly or indirectly arising out of, caused by attributed to or resulting from any actual or alleged:

7.1. dishonest, fraudulent, criminal, deliberate or malicious act,

7.2. any fraudulent scheme, trick, device or false pretence practiced on **You** or any person acting on **Your** behalf,

7.3. wilful or reckless breach of any statute, contract or duty,

7.4. conduct intended to cause loss, **Damage**, destruction, liability, cost or expense or conduct engaged in with reckless disregard for the consequences committed by **You** or any person acting with **Your** knowledge, consent or participation or any person entitled to any benefit under the **Policy**, or in which **You** knowingly acquiesced,

7.5. failure to comply with the law,

8. PRE-EXISTING LOSS / DAMAGE

This **Policy** does not cover pre-existing losses and / or **Damage** to any **Insured Property** and / or faults and defects in **Your** property which are known to **You**, or which ought reasonably to have been known to **You**, and not disclosed to **Us.**

9. MATERIAL DAMAGE PROVISO

This **Policy** excludes Business Interruption (inclusive of Contingent Business Interruption) which is not a result of an insured **Physical Damage Peril**.

Physical Damage Perils are defined as:

9.1. Fire, lightning or explosion,

9.2. Storm, wind, water, hail or snow,

9.3. Impact,

9.4. Earthquake or any other natural catastrophe.

10. DAMAGE BY TENANTS

The **Policy** does not provide cover for any **Damage** by **Tenants** discovered after the **Tenant** has vacated the **Insured Property**.

11. COMMUNICABLE DISEASE EXCLUSION LMA5394 (PROPERTY)

For the purpose of this Exclusion the following definition terms bear reference and apply:

11.1. Authority: means:

11.1.1. World Health Organization,

11.1.2. any appropriate Local, National, Governmental, or International Body, Agency, or State approved Authority.

11.2. Communicable Disease: means:

11.2.1. any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

11.2.1.1. the substance or agent is inclusive of but is not limited to, any infectious or contagious disease, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not (or whether asymptomatic or not), and

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

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

11.3. Claim: means (for the purpose of this exclusion, inclusive of but not limited to):

11.3.1. the imposition of quarantine or the restriction in movement of people, animals, or goods by any **Authority**,

11.3.2. any travel advisory or warning being issued by any **Authority**,

11.3.3. any public utilities or telecommunication services being interrupted or suspended (whether temporarily or permanently),

11.3.4. any action / prohibition / restriction issued by any **Authority** or promulgated by law, inclusive of but not limited to the prevention or restriction of access to, or use of premises / buildings / facilities or the inference with the **Business**,

11.3.5. any loss due to interruption to or interference with the **Business**,

11.3.6. any action taken in preventing, containing, controlling, or dealing with the manifestation, outbreak or spread thereof.

A. Regardless of anything contained to the contrary in this **Policy** or any endorsement thereto, this **Policy** excludes any loss, damage, legal liability, **Claim**, cost, business interruption, contingent business interruption, consequential loss or any expense of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of, or in connection with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease** regardless of any other cause or event contributing concurrently or in any other sequence thereto as well as any cost to clean-up, detoxify, remove, monitor or test for a **Communicable Disease.**

12. COMMUNICABLE DISEASE EXCLUSION LMA5399 (CASUALTY)

For the purpose of this **Communicable Disease** Exclusion the following definition terms bear reference and apply:

12.1. Authority: means:

12.1.1. World Health Organization,

12.1.2. any appropriate Local, National, Governmental, or International Body, Agency, or State approved Authority.

12.2. Communicable Disease: means:

12.2.1. any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

12.2.1.1. the substance or agent is inclusive of but is not limited to, any infectious or contagious disease, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not (or whether asymptomatic or not), and

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

12.2.1.3. the disease, substance or agent can cause or threaten bodily injury, illness, emotional distress, damage to human health or human welfare or property damage.

12.3. Claim: means (for the purpose of this exclusion, inclusive of but not limited to):

12.3.1. the imposition of quarantine or the restriction in movement of people, animals, or goods by any Authority,

12.3.2. any travel advisory or warning being issued by any Authority,

12.3.3. any public utilities or telecommunication services being interrupted or suspended (whether temporarily or permanently),

12.3.4. any action / prohibition / restriction issued by any Authority or promulgated by law, inclusive of but not limited to the prevention or restriction of access to, or use of premises / buildings / facilities or the inference with the Business,

12.3.5. any loss due to interruption to or interference with the **Business**,

12.3.6. any action taken in preventing, containing, controlling, or dealing with the manifestation, outbreak or spread thereof.

A. Regardless of any provision to the contrary within this **Policy**, this **Policy** excludes all actual or alleged loss, legal liability, damage, compensation, injury, sickness, disease, death, medical payment, defence cost, cost, expense or any other amount incurred by or accruing to **You**, directly or indirectly and regardless of any other cause contributing concurrently or in any sequence, originating from, caused by, arising out of, contributed to by, resulting from, or otherwise in connection with a **Communicable Disease** or the fear or threat (whether actual or perceived) of a **Communicable Disease** as well as any cost to clean-up, detoxify, remove, monitor or test for a **Communicable Disease.**

13. SANCTIONS EXCLUSION (LMA3100)

13.1. **We** will not provide any cover or be deemed to provide any cover and will not be liable to pay any claim or provide any benefit in terms of the **Policy** to the extent that the provision of such cover, payment of such claim or provision of such benefit would expose **Us** to any sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America or Switzerland, insofar as they are not in contradiction to the legislative provisions applicable to any German or EU legislation or regulation concerned.

13.2. **We** have the right, at **Our** sole discretion and in all instances not to provide cover or to void and / or cancel the **Policy**, any **Section** and / or item due to the activities mentioned in paragraph (12.1.) above or where **We** become aware of any breach of this Sanctions Exception.

13.3. It is further declared and agreed that the embargo provisions of the European Union European Union, United Kingdom, United States of America and Switzerland are respected by **Us**. **We** agree that this **Policy** will provide no benefit to any persons, entities and / or bodies listed in the mentioned territories regulations and that no cover or payment of any claim will be made which would expose **Us** to any sanction, prohibition or restriction as stipulated under paragraph (12.1) above.

14. RUSSIA, UKRAINE AND BELARUS EXCLUSION

It is understood and agreed that this **Policy** does not provide any cover and does not include any liability to pay any claim or provide any benefit in respect of any goods, service, insured items or risks located in Russia, Ukraine or Belarus, of Russian, Belarussian or Ukrainian origin, to be transported to or from Russia, Ukraine, Belarus or directly or indirectly owned by a Russian, or Belarussian person or entity on the trade and economic sanction list, or in any other way subject to a Russian, Belarussian interest on the trade and economic sanction list, unless otherwise agreed by **Us** in writing.

Ukraine means the occupied territories in the Ukraine that are not controlled by the government of the Ukraine.

Sanctioned list refers to the trade and economic sanctions list of the United Nations Security Council, European Union, United Kingdom, United States of America and Switzerland.

15. GRID FAILURE EXCLUSION 01/04/2023

General Exclusion applicable to all **Sections** of this **Policy**.

For the purpose of this exclusion the below mentioned definitions bear reference and apply:

15.1. **Electricity Supplier:** means any National, Regional, Municipal, Local and / or Private entity / body / company who governs, directs and / or has control and / or provides electricity to **You** or anyone else.

15.2. **Grid Failure:** means a total or partial interruption, interference or suspension of electricity supply or electricity outage, whether by an electricity cut, electricity failure, electricity blackout, electricity loss, or an absolute blackout due to the collapse, fault, failure, neglect, damage, inability or any other cause whatsoever (inclusive of any Government action) of any

electricity provider or **Electricity Supplier** to produce, connect, supply, transmit or distribute electricity to You or anyone else.

A. This **Policy** will not provide cover for any loss, damage, legal liability, cost, expense, business interruption or consequential loss of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with **Grid Failure** for whatsoever reason (inclusive of any **Electricity Supplier's** action, decision or omission relating to the production, connection, supply, transmission or distribution of electricity).

B. For the purpose hereof, any effects on any other public / private utility or service due to **Grid Failure**, inclusive of but not limited to the disruption of water supply, telecommunications and sewage systems, is also excluded.

16. POLLUTION AND CONTAMINATION EXCLUSION

16.1. This **Policy** will not provide cover for any loss, damage, legal liability, cost, expense, business interruption or consequential loss of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with contamination, pollution, soot, deposition, impairment with dust, chemical precipitation, adulteration, poisoning, impurity, epidemic and disease or due to any limitation or prevention of the use of objects because of hazards to health.

16.2. This General Exclusion will not apply to accidental, physical, sudden and unforeseen loss or damage to **Insured Property** caused by fire, lighting, explosion, impact of aircraft, vehicle impact, sonic boom, accidental escape of water from any tank, apparatus or pipe, malicious damage, storm, hail, flood, inundation, earthquake, subsidence, landslip, snow pressure, avalanche or volcanic eruption or public liability insured under the policy, to the extent that the liability arises from a sudden, identifiable, unintended and unexpected event from **Your** standpoint which takes place in its entirety at a specific place and time during the **Annual Period**.

If **We** allege that loss or **Damage** is not covered by this **Policy**, the burden of proving the contrary will rest with **You**.

17. EXCLUDED RISKS

The **Policy** does not provide cover for any of the events / circumstances listed below (unless stated otherwise to be included and **We** have agreed to this in writing). **You** are reminded that **You** must refer to all Specific Exclusions and events / circumstances under each **Section** to ensure that **You** are aware of what is not covered.

This **Policy** will not provide cover for any loss, **Damage**, legal liability, cost, expense, business interruption or consequential loss of whatsoever nature, directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with:

17.1. any computer equipment or any other **Insured Property** failing to perform or function in the manner for which it was designed,

17.2. any loss of **Electronic Data**,

17.3. any loss and / or **Damage** by exposure to magnetic or electromagnetic fields or radiation,

17.4. any illegal use and / or occupation of **Insured Property** that results directly or indirectly from the contravention of any laws of the Republic of South Africa,

17.5. any illegal connections to / from **Insured Property**,

17.6. any loss, **Damage**, costs or expenses directly or indirectly arising from detention, seizure, confiscation, forfeiture, impounding or requisition carried out by customs, SA Police Services, Crime prevention units or other duly authorised / lawfully constituted officials or authorities,

17.7. any appropriation,

17.8. any prior acts, events and / or circumstances prior to the inception date of the **Policy** / **Section**,

17.9. any faulty and / or defective and / or inferior design, workmanship and / or materials and anything not fit for its intended purpose,

17.10. anything occurring outside the **Policy Territory**,

17.11. any claim brought before foreign courts or foreign judgements (refer to General Condition headed Applicable Law and Legal Jurisdiction),

17.12. any erosion, rust, corrosion, gradual deterioration and / or **Damage** happening over a period of time, depreciation, wear and tear,

17.13. any hail **Damage** to skylights or glass awnings or glass structures exceeding the limit stated in the **Schedule**,

17.14. any loss and / or **Damage** by **Tenants** or any property belonging to any **Tenant**,

17.15. any change in the water table,

17.16. any **Damage** caused by animals,

17.17. any loss and / or **Damage** and / or liability directly or indirectly caused by, or arising from, or aggravated by, or resulting from legal or illegal mining operations or any gas line breaks or explosions.

GENERAL CONDITIONS APPLICABLE TO ALL SECTIONS

1. ALTERATION TO RISK, MISREPRESENTATION, MISDECRIPTION AND NON-DISCLOSURE

Any misrepresentation, misdescription or non-disclosure of any **Material Facts** as at the date on which the insurance cover under this **Policy** commences, is renewed or **Varied** will entitle **Us** to void the insurance cover under this **Policy** for:

1.1. the particular item, or

1.2. the Sub- Section, or

1.3. the **Section**, or

1.4. this entire **Policy**

For the duration of the **Policy**, **You** continue to have an ongoing obligation to disclose to us any new or change in any **Material Facts. You** must inform **Us** immediately of any change in the risk covered by this **Policy.**

You must advise **Us** of any material alteration to the risk immediately the moment that such change in risk comes to **Your** notice or that of any **Trustee** responsible for **Your** insurance cover.

Alterations which **You** must notify **Us** of are inclusive of (but not limited to):

- alteration to the **Building**,
- removal or weakening of the support to the **Building** by **You** or any other person,
- **Your Insurable Interest** in any **Insured Property** ceasing,
- any change in the occupation of the **Building** or any **Unit** in the **Building** and anything that increases the risk of loss, destruction or **Damage** to the **Building**.
- if **You** are placed into bankruptcy, receivership, administration, business rescue or liquidation.

If **We** accept any alteration to **Your** risk, **We** might ask **You** to pay an additional premium. If **You** do not pay the additional premium, **We** can cancel the **Policy** or change the **Terms and Conditions** in order to exclude the increased risk.

Any alteration, misrepresentation, misdescription or non-disclosure of any **Material Facts,** will entitle **Us** to reject any claim under this **Policy.**

2. APPLICABLE LAW AND LEGAL JURSIDICTION

2.1. **We** will not be liable for any loss, **Damage**, costs or expenses directly or indirectly arising from the non-adherence to applicable laws, regulations, rules / regulations of governing bodies, by-laws or rules of the Republic of South Africa.

2.2. This **Policy** will be governed by and interpreted in accordance with the laws of South Africa.

2.3. All disputes arising out of or in connection with this **Policy** will fall to the exclusive jurisdiction of the Courts of the Republic of South Africa.

3. ASSIGNMENT – NO RIGHTS TO OTHER PERSONS (UNLESS OTHERWISE AGREED BY US)

You and / or any **Unit Owner** may not assign this **Policy** or any of **Your** rights under this **Policy** without telling **Us**.

3.1. Nothing in this **Policy** will give any rights to any person other than **Yourself**.

3.2. Any extension providing indemnity to any person other than **Yourself** will not give any rights of claim to such person, the intention being that **You** will claim on behalf of such person.

3.3. Receipt by **You** will in every case be full discharge by **Us**.

4. BREACH OF CONDITIONS

Each condition within this **Policy** and its **Sections** pertains separately to each insured risk and not collectively. Any breach or failure to comply with a condition in this **Policy** will make only the specific **Section** or item related to the breached condition voidable, but only concerning the risk associated with the breach.

5. CANCELLATION

This **Policy** or any **Section** and / or part may be cancelled at any time by:

5.1. **Us** giving **You** 31 days' notice in writing or such other period as may be mutually agreed and / or otherwise prescribed by this **Policy**,

5.2. by **You** giving immediate notice,

5.3. **Us** giving immediate notice due to alteration, misrepresentation, misdescription and non-disclosure of **Material Facts**, a material change in risk or fraudulent, wilful, deliberate or reckless acts.

When **You** cancel, **We** will be entitled to retain the customary short period or minimum premium for the **Annual Period** or the period that a **Section** has been in force.

When **We** cancel, **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 the cancellation not being due to (5.3.) above.

6. CLAIMS

When something happens which, **You** think **You** can claim for, phone **Us** first on the Call Centre number noted on the **Schedule**. This is **Our** claims call centre which, for **Your** convenience, is available 24 hours a day 7 days a week. Alternatively, **You** may obtain a claim form from **Our** website or **Your** broker and submit **Your** written claim.

- If there is **Damage** to **Your Building Our** staff will take immediate steps to assist with any emergency, appoint a service provider and where necessary arrange for a claims assessor to assist **You** with the claim.

- If a third-party alleges that **You** have damaged their property DO NOT admit liability and DO NOT agree to do anything. Tell **Us** and **We** will investigate and deal with the third-party.

- **You** are reminded of the General Condition headed Duty to Take Reasonable Steps and Precautions and that **You** must try to prevent and minimise further **Damage**.

Please follow these instructions:

6.1. Notice

When an event happens, which may result in a claim under this **Policy**, then **You** must do the following at **Your** own expense or **You** will forfeit **Your** right to so claim:

6.1.1. **You** must notify **Us** as soon as reasonably possible after the event but not later than 31 days after the occurrence thereof and provide **Us** with:

6.1.1.1. full written details of the event as well as all supporting documentation / evidence pertaining to the potential claim under this **Policy**, and

6.1.1.2. details of any other insurance policy which may also provide insurance cover for the event.

6.1.2. **You** must supply **Us** with such proofs, information, proof of ownership, value of items concerned and / or sworn statements not later than 14 days after **We** have requested it.

6.1.3. **You** must report to the police:

6.1.3.1. within 48 hours, or as soon as reasonably possible any fire, impact damage, **Malicious Damage**, fraud, theft or any attempted theft of **Insured Property** or other suspected criminal conduct and obtain a police case number and take all reasonable steps to discover the guilty party and to recover any property,

6.1.3.2. within 24 hours, any accident which occurs on a public road.

Claim forms are readily available and can be obtained from **Your** insurance broker or from **Our** webpage www.cib.co.za.

6.1.1. Do not carry out repairs on **Your** own unless **We** give **You** written permission to do so except in terms of the **Building and Common Property Contents Section** extensions which provide for temporary repairs or measures to prevent additional **Damage**,

6.1.2. Where possible take photographs of any **Damage**.

6.1.3. **You** may not dispose of any **Insured Property** being the subject of a claim before assessment of **Damage** and **You** may not dispose of any **Insured Property** without **Our** consent. This Condition will be evidence of **Your** leave and licence to **Us** to do so. **You** will not be entitled to abandon any **Insured Property** to **Us** whether taken possession of by **Us** or not.

6.1.3.1. If **You** dispose of any **Insured Property** prior to assessment of a claim or if **You** dispose of such property without **Our** prior consent, **You** will forfeit **Your** right to claim and **We** will reject such claim.

Please refer to the General Condition headed Prescription Periods in respect of **Your** rights if **We** reject any claim and the time limits in which to serve legal proceedings on **Us**.

6.2. **Liability**

6.2.1. If, in compliance with **Your** obligations under the **Notice** provisions above, **You** have notified **Us** of an event which may result in a claim by **You** under the liability **Sections** of this **Policy** , then any subsequent claim which is made against **You** and which arises from the event notified , will be deemed to have been first made against **You** in writing on the day that **You** notified the event to **Us**.

6.2.2. **You** must immediately forward to **Us** any notice of claim or any demand, or any communication, writ, summons (whether civil or criminal) and /or other legal process, inquiry, investigation or inquest to **Us** in connection with any claim against **You** or the event that may give rise to a claim in terms of this **Policy**.

6.3. If this **Policy** is cancelled or is not renewed then, within 31 days of the end of the consequent expiry of the date on which the **Policy** has been cancelled or terminated, **You** may notify **Us** of any event that may result in **You** making a claim under this **Policy** provided that **You** have complied with **Your** obligations under the **Notice** provisions above and provided that such event happened during the **Policy Period**.

6.4. No admission, statement, offer, settlement negotiations, promise, payment or indemnity whether verbal or written, will be made by **You** to any party whatsoever without **Our** written consent.

6.5. **You** agree to not accept any payment(s) of whatsoever nature from any third party or other person regarding any claim without **Our** written consent.

6.6. If **You** fail to adhere to the aforesaid or commit any of the prohibited actions as aforesaid, then **You** may lose all benefits under this **Policy** and / or be required to repay **Us** any benefit that **You** have received.

6.7. **Settlement of Claims**

6.7.1. **We** elect the method of settlement, but subject always to the **Sum Insured** stated in the **Schedule**.

6.7.2. Whether **We** decide to pay, reinstate, replace, or repair, **We** will not be obliged to do so exactly, but only as the circumstances reasonably allow. The principle of **Indemnity** will always prevail.

6.7.3. Before, **We** finalise or settle any claim under this **Policy**, **We** may require **You** to sign an agreement of loss.

6.7.4. **We** are entitled to take over and conduct, in **Your** name, the defence or settlement of any claim being made against **You** and will have full discretion in the conduct of any proceedings and in the settlement of any claim against **You** and **You** will give **Us** all such information and assistance as **We** may reasonably require. **We** may at any time pay to **You** the limit of indemnity applicable to any claim being made against **You** or any lesser amount for which **We** can settle such claim and **We** will then have no further liability under this **Policy** in relation to such claim.

6.7.5. All claims will be paid by means of Electronic Funds Transfer (EFT) and all cash settlements will be paid into the account from which the **Policy** premium has been paid unless specifically agreed otherwise by **Us**.

7. CONSTRUCTION REQUIREMENTS, STATUTORY LAWS AND MAINTENANCE

You warrant that **You** comply with all laws, regulations, by-laws and rules that apply to **Your Insured Property**.

It is a Condition of this **Policy** that any construction on **Your Insured Property** conforms to all relevant laws of the Republic of South Africa for example, National building regulations, NHBRC regulations, municipal by-laws (however not limited to these examples).

We require that:

7.1. **You** comply with all the relevant laws, by-laws, statutory regulations and best practises that may be applicable to **Your** insured risk.

7.1.1. All **Buildings** and structures must be built in accordance with the relevant legislation to which they are subject.

7.1.2. **You** must maintain **Buildings** and service all tools, machinery and equipment used in a sufficient condition according to the manufacturer's specifications to ensure that they are in a proper working condition at all times.

7.1.3. All generator installations, gas installations, electric fences and other similar electrical installations (inclusive of **Water Apparatus** installations) be performed by qualified personnel and **You** must receive a certificate of compliance for all of these installations and others that are required by law.

We may require that **You** provide evidence in support of the above requirements it being understood that **Your** failure to comply with the regulations and / or laws construction requirements, statutory laws and maintenance will result in **Your** claim not being paid.

8. CORRECTIVE ACTION

Corrective action involves the identification of risks associated with **Your** profile and the implementation methods used to eliminate or reduce the causes in **Our** attempts to prevent a reoccurrence of these risks.

We may after a claim or **Your** failure to comply with risk requirements following a risk survey (Refer to the General Provision headed Risk Surveys and Values at Risk) or in cases where there is a deterioration in **Your** claims history, review the terms of this **Policy** with due consideration of any notice period required.

9. DUTY TO TAKE REASONABLE STEPS AND PRECAUTIONS

You must at all times and at **Your** own expense, take all reasonable steps and precautions in:

9.1. maintaining the **Insured Property** in good condition and repair,

9.2. safeguarding the **Insured Property** and ensuring that every item is afforded a level of care and protection commensurate with its value,

9.3. preventing or minimising the risk of any claim under this **Policy**, inclusive of but not limit to, compliance with and adherence to any laws or regulations which are material to the risk, and

9.4. minimising or mitigating the extent of any claim under this **Policy**, after an event occurs which may result in such a claim.

9.5. preventing the risk of any claim under this **Policy**, by ensuring that all **Insured Property** remains protected during all periods of **Loadshedding,** inclusive of but not limit to ensuring that there is a battery backup connected to any linked burglar alarm required by **Us** to ensure that the premises and **Insured Property** stated in the **Schedule** remains protected even when **Loadshedding** takes place.

9.5.1. It is an ongoing requirement that **You** must ensure that such battery backup is fully charged, maintained and regularly tested to operate optimally during periods of **Loadshedding**.

The expenses incurred by **You** in compliance with **Your** duty as set out above will not be recoverable under this **Policy** unless they are specifically stated to be so included.

For this Condition, the term **You** is inclusive of any person representing **You** or acting on **Your** behalf or with **Your** authority.

If **We** allege that **You** have failed to comply with **Your** duty as set out above, the onus of proving the contrary will rest upon **You** and **We** are entitled to reject **Your** claim.

10. INSURED AMOUNTS LEFT BLANK

No cover will be provided if the premium for this **Policy** has not been received asmentioned under the General Condition headed **Payment of Premium**.
No cover will be provided under this **Policy** or any **Section** if either the **Sum Insured** or the **Limit of Indemnity** shown in the **Schedule**:

10.1. has no monetary amount next to it or is left blank, or

10.2. has been filled in as “nil”, or

10.3. has been filled in as “not applicable”.

11. NON-CO-OPERATION FOLLOWING A CLAIM

You must submit all forms and documentation requested by **Us** to enable **Us** to verify and investigate **Your** claim or an event that may result in a claim.
Failure by **You** to comply with **Our** reasonable requests and with the provisions of the **Claims** conditions may result in the rejection of such claim. **You** will be responsible for the costs incurred in **Our** attempts to process such claim.

12. OUR RIGHTS AFTER AN EVENT AND SUBROGATION

12.1. On the happening of any event in respect of which a claim is or may be made under this **Policy**, **We** and every person authorised by **Us**, without thereby incurring any liability and without diminishing **Our** rights to rely upon any **Terms and Conditions** of this **Policy**, **We** have the right to:

12.1.1. take, enter or keep possession of any **Insured Property** being the subject of a claim and deal with it in any reasonable manner,

12.1.2. **You** may not dispose of any such **Insured Property** without **Our** consent. This Condition will be evidence of **Your** leave and licence to **Us** to do so. **You** will not be entitled to abandon any **Insured Property** to **Us** whether taken possession of by **Us** or not,

12.1.3. take over and conduct in the defence or settlement of any claim and institute action in **Your** name for **Your** benefit any claim whether for indemnity or otherwise and **We** will have full discretion in the conduct of any proceedings and in the settlement of any claim,

12.1.4. in respect of any claim for injury under this **Policy** where such cover is granted, **You** are required to provide all certifications, medical records and reports, information and evidence required by **Us** at **Your** expense, and any injured person will as often as required by **Us** submit to medical examination at **Our** expense. **We** will in the case of death be entitled to have a post mortem examination performed,

12.1.5. **You** must do or allow **Us** to do, at **Our** expense, everything that may be necessary, or reasonably required by **Us**, for the purpose of imposing any rights and remedies alternatively obtaining relief or indemnity from other parties to which **We** become entitled or subrogated upon paying for or making good any claim under the **Policy**, whether such acts or things will be or become necessary or required before or after the indemnification by **Us**, to enforce the right to claim on **Your** behalf and in **Your** name. If **You** fail to adhere to the aforesaid, then **You** may lose all benefits under this **Policy** and / or be required to repay Us any benefit that **You** have received,

12.1.6. in respect of any **Section** of this **Policy** under which indemnity is provided for liability to third parties, **We** may upon the happening of any event, pay **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 **We** will thereafter not be under further liability in respect of such event.

12.1.7. When **We** settle a claim, then **Your** rights to claim against other people are automatically transferred to **Us**.

13. OTHER INSURANCES

You must tell **Us** if there is any other insurance policy covering the **Building** or **Common Property Contents**.

Should **You** be entitled to compensation through any other act / fund then **We** will reserve the right to adjust **Our** settlement in accordance therewith.

14. POLICY PERIOD

14.1. Monthly

14.1.1. The initial period of a **Monthly Policy** is as shown on the **Schedule** and commences from the inception / start date and continues until the last day of that calendar month in which the inception / start date occurs.

14.1.2. Thereafter, the **Period of Insurance** will be one calendar month and will run monthly until the **Renewal Date** reflected in the **Schedule**.

14.1.3. Once renewal of **Your Policy** is mutually agreed the **Policy** will run monthly as indicated in (14.1.1.) and (14.1.2.) until the next **Policy** renewal.

14.2. Annual

14.2.1. The initial period of an Annual **Policy** is as shown on the **Schedule** and commences from the inception / start date and continues to the last day of the month preceding the **Renewal Date** reflected in the **Schedule**.

14.2.2. Thereafter, the **Period of Insurance** will be for 12 months and will run until the **Renewal Date** reflected in the **Schedule**.

14.2.3. Once renewal of **Your Policy** is mutually agreed the **Policy** will run annually as indicated in (14.2.1.) and (14.2.2.) until the next **Policy** renewal.

15. PAYMENT OF PREMIUM

Premium is payable on or before the commencement date or **Renewal Date**, as the case may be, of **Your Policy**. **We** will not be obliged to accept premium tendered after the inception date or **Renewal Date** as the case may be but do so upon such terms as **We**, at **Our** sole discretion, may determine.

15.1. Debit Orders

We will allow **You** to choose a date for **Your** insurance premium to be collected from **Your** bank. The dates available are the 1st, 7th or 15th of each month (called **Your** debit order collection date). On this date (or the closest working day to it), the monthly premium will be debited, by **Our** collection agency, from **Your** bank account.

It is important to remember that **Your** account needs to have enough funds available in order for the debit order not to return unpaid.

15.2. Ad-Hoc premiums

It is important to remember that **We** also collect ad-hoc premiums, unless otherwise agreed, where a new **Policy** has been activated or an amendment / addition has been made to **Your Policy** that created an outstanding Debit amount.

The ad-hoc premium collection from **Your** bank account may not necessarily co- inside with **Your** selected Debit Order Collection Date – as explained above.

Therefore, any ad-hoc premium in excess of R100.00 will be collected by way of an ad-hoc collection within 7 days from the date of inception or amendment / addition.

Example:

You activate **Your** new policy with **Us** on the 1st of the month, however, **You** selected a debit order collection date of the 15th of every month. Since **We** collect ad-hoc premiums 7 days after the activation of a new policy, **Your** first premium for **Your** new policy will be collected BEFORE the 15th of the month.

15.3. Cooling Off Period

For the purpose of this **Cooling Off Period** Clause, the below mentioned definitions apply:

15.3.1. Cooling Off Period: means:

15.3.1.1. 14 days from the date that **You** receive **Your Schedule** and **Policy** collectively hereinafter termed the "**Policy Contract**" by the means elected by **You** to receive correspondence, or

15.3.1.2. 14 days from when it can be reasonably expected that **You** received **Your Policy Contract** whichever period occurs later.

Unless **You** can substantiate to **Our** satisfaction that the **Policy Contract** was received during a period which would prevent **You** from exercising **Your** right to the **Cooling Off Period** defined in (15.3.1.13.1) above, the term "reasonably expected" will not exceed a period of 30 days from inception / **Renewal** / **Variation** (as the case may be), of the **Policy Contract**.

You may cancel **Your Policy** in writing during the **Cooling Off Period** after inception of a new **Policy,** or after renewal of a **Policy**, or after **You**r request to vary the **Policy**.

If **You** decide to cancel **Your Policy** within the **Cooling Off Period**, then the premium paid from the date of inception, or renewal, or **Variation** will be refunded to **You**, subject to the deduction of the cost of any risk cover enjoyed during this period.

Please note:

The **Cooling Off Period** does not apply and cannot be exercised by **You**:

1. if an event which may result in a claim has occurred during the 14 (fourteen) day period, or

2. if a claim has been made, or

3. if a claim has been registered, or

4. where any amount has already been paid in terms of the **Policy**.

15.4. Unpaid Premiums

We need to receive premium in order for **Your** cover to remain active. If the premium continues to be unpaid, and **You** do not contact **Your** insurance broker, **Your Policy** may be cancelled.

In the event of 2 unpaid debit orders no further debits will be deducted from **Your** bank account and cover will cease.

15.5. 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 **Us** by the due date, this **Policy** will be deemed to have been cancelled at:

15.5.1. midnight on the last day of the preceding **Policy Period**; unless the Policyholder Protection Rules apply to **You** (please refer to Monthly Debit Payments below)

15.5.2. **You** can show **Us** that failure to make payment was an error on the part of **Your** 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:

15.5.3. each 3rd ,

15.5.4. each 6th , or

15.5.5. each 12th calendar month following inception where premium is payable quarterly, half-yearly or annually.

15.6. Monthly Debit Payments

You must pay **Your** monthly premium by debit order. **We** will present **Your** debit order to **Your** paying agent on the date reflected in the **Schedule**.

15.6.1. The premium is payable in advance and must be paid on the due date which is the first day of every month or as otherwise agreed.

15.6.1.1. The **Policy** is automatically renewed for a further month every time **You** pay the premium which must be paid on the due date.

15.6.1.2. Non-payment of the premium in the month of inception (in the first month), for whatever reason, will result in the **Policy** being voided from the date of inception.

15.6.1.3. If the Policyholder Protection Rules apply to **You**, if **We** do not receive the premium by the due date, as shown in the **Schedule** then:

15.6.1.3.1. **You** will be entitled to a grace period of 15 days after the due date (except in the first month of insurance) in which to pay the premium. If the premium is unpaid and only if the reason is due to "insufficient funds" and for no other reason, it will remain payable and **We** may:

15.6.1.3.1.1. recollect by way of an Ad Hoc collection, or

15.6.1.3.1.2. submit two debit orders at the next request for payment, in respect of the unpaid debit order as well as the normal one for the new month.

15.6.1.4. In the event that either the recollection is unsuccessful (and the 15-day grace period has lapsed) or the next two debit orders are unsuccessfully collected, the **Policy** will automatically be cancelled.

15.6.2. **Yearly payment in cash**

If according to the **Schedule** this is an annual **Policy**, this **Policy** is then valid for one year.

15.6.2.1. The **Policy** may be renewed on the renewal date indicated on the **Schedule** if **You** pay the premium on or before the renewal date. This renewal date will be the due date for payment of the premium.

15.6.2.2. If **We** do not receive the premium on the due date, or within 15 (fifteen) days thereafter, for whatever reason, the **Policy** will automatically lapse and there will be no cover from the date of renewal.

15.6.2.3. If **We** did not receive the premium in the month of inception (in the first month), for whatever reason, the **Policy** will void from the first inception date.

15.6.2.4. If there is a total loss during the **Annual Policy Period**, the premium remains due to **Us** and is therefore not refundable.

15.7. **No premium refund after maximum compensation (applicable to annual policies only)**

If **We** indemnify **You** for a claim up to the total **Sum Insured** or **Limit of Indemnity** or value of the item claimed, then **We** will not refund premium to **You** for the remainder of the **Policy Period** for that event or item. (Applicable to annual policies or items where special terms have been imposed separately)

16. PRESCRIPTION PERIODS (TIME LIMITS)

16.1. No claim under this **Policy** will be payable after the expiry of 12 months or such further period as **We** may, in writing, allow, from the date of the happening of the event which resulted in such claim unless the claim is the subject of pending legal action or is a claim in respect of **Your** legal liability to a third party.

16.2. Once **We** inform **You** of **Our** decision on any claim under this **Policy** (whether it is a rejection, a partial rejection, the dispute about the quantification of the claim or otherwise) **You** will have 90 days to make representations to us about **Our** decision. Following the expiry of the 90 day period and irrespective of whether representations have been made during this period, **You** will have 180 days within which to serve legal action on **Us**, failing which **Your** right to challenge the decision is forfeited and **You** will have no further claim or recourse against **Us**.

17. RECOVERY

17.1. If, after payment of a claim in respect of lost or stolen property, such property is located or recovered, **You** will render all assistance and cooperation in the identification and in the physical recovery and safe keeping of such property.

17.2. **We** will pay for the reasonable cost in identifying such property.

17.3. Failure to assist **Us** in the recovery and safe keeping of such property will result in **You** becoming legally liable to repay **Us** all payments and expenses in respect of the claim.

17.4. If the property was successfully recovered then **We** will be the rightful owner of the property.

18. RIGHTS OF RECOURSE

We strictly prohibit the waiving of rights of recourse. **You** must not waive **Your** right of recourse against any party under any circumstances. If this occurs, **You** will forfeit **Your** right to claim or to be indemnified for any claim in terms of this **Policy** for which **We** may have a right of recourse.

19. REINSTATEMENT CONDITIONS

19.1. If **We** pay **You** in cash, **You** are obligated to carry out the repair, reinstatement, or replacement within a reasonable period. **We** will not increase the amount payable if the cost of repair, reinstatement or replacement has increased because **You** did not carry out the work timeously or if **You** are unable or unwilling to carry out repair, reinstatement, or replacement.

19.2. **We** are not obliged to pay for more than the cost of repairing, reinstating, or replacing that part of the **Insured Property** that has been **Damaged**.

19.3. Until expenditure has been incurred by **You** in repairing, reinstating, or replacing the **Insured Property**, **We** will not be liable for any payment more than the amount which would have been payable if these conditions had not been incorporated.

19.4. If the **Building** has architectural features or structural materials of ornamental, historical, or heritage significance, or if the original materials are unavailable, **We** retain the exclusive right to choose between replacing, rebuilding, restoring, or providing a cash settlement (or a combination of these options) for the **Building**. The goal is to achieve an equivalent appearance and capacity, adhering to the original design and utilising the closest equivalent materials.

19.4.1. **Our** obligation is not to replicate precisely or entirely, but rather to do so to the extent permitted by circumstances and in a reasonably sufficient manner. Under no circumstances are **We** obligated to pay more than the **Sum Insured.**

19.4.2. Any payment made will be limited to the actual value of the **Building** considering factors such as the age and condition of the **Building** at the time of **Damage** but never exceeding the **Sum Insured** stated in the **Schedule.**

19.5. **We** will only pay **You** the salvage value, not exceeding the **Sum Insured**, of the **Damaged** building materials in respect of **Buildings** awaiting demolition.

19.6. **We** will only pay for actual **Damage** to **Insured Property** even though it may have been deemed to have been destroyed in terms of Section 17 of the **Act** (as amended or substituted from time to time) and the provisions of that section will not apply with regards to the application or interpretation of this **Policy**.

20. SUSPENSION OF INSURANCE COVER

We may at **Our** option (subject to the General Condition headed Cancellation) suspend cover relative to any **Section** to this **Policy** inclusive of but not limited to:

20.1. **You** failing to comply with any construction requirements, statutory laws and maintenance requirements to which this **Policy** is subject,

20.2. any condition to which the **Policy** may be subject to in writing or **Variation** endorsement by **Us** and thereafter directed to **You** or an authorised appointed representative of **Yours**.

21. WARRANTIES / NOTES / ENDORSEMENTS

Cover is subject to the warranties and / or notes and / or endorsements as stated in the **Schedule** and are an essential element to the **Policy**. These can determine the validity of the **Policy** and must be strictly observed and complied with.

Such warranties and / or notes and / or endorsements are specific provisions and / or conditions which are written **Variations** to the **Policy** and which modify certain **Terms and Conditions**. These can add, delete, or change the cover provided by the **Policy**.

If **You** fail to comply with any of the aforementioned, or if **You** provide incorrect **Material Facts**, it will result in a claim being rejected, or the **Policy** being cancelled from the date that such breach of compliance is established.

22. YOUR AUTHORISED AND APPOINTED REPRESENTATIVE AND RESPONSIBILITIES OF OTHERS

22.1. **You** agree that the person representing **You** when applying for this **Policy** is authorised to give and receive information on **Your** behalf.

22.2. **You** warrant and agree that any person or entity over which **You** exercise control and / or any authorised and appointed person having care, custody and control of **Insured Property**, will comply with the **Terms and Conditions** contained in the **Policy** and / or **Schedule** as the case may be and **You** agree that in the absence of compliance with the **Terms and Conditions** of this **Policy** that **We** are entitled to cancel the entire **Policy**, a **Section** of the **Policy** or an item insured in terms of the **Policy** or reject any claim under this **Policy**.

GENERAL PROVISIONS

1. SPECIFIC EXTENSION IN RESPECT OF CLAIMS PREPARATION COSTS APPLICABLE TO ALL SECTIONS

1.1. **We** will pay the reasonable costs and expenses, not exceeding the amount stated in the **Schedule** that **You** incur in the preparation of a claim. **We** will only pay these costs and expenses when **We** agree to do so and before they are incurred.

1.2. If the above Extension is not sufficient, **You** can elect additional cover under the **Optional Extension** for Additional Claims Preparation Costs.

1.3. **We** will not pay for fees charged by any public adjuster whom **You** have contracted to act on **Your** behalf in respect of any claim under this **Policy**.

2. INTERESTS OF OTHER PARTIES – MORTGAGEE CLAUSE FOR BANKS AND FINANCIAL INSTITUTIONS

If any bank or any other financial institution (referred to as the 'Mortgagee') has been noted in the **Schedule** as having an interest in the any **Building** or **Unit** forming part of the **Insured Property** and such **Building** or **Unit** is determined by **Us**, in **Our** sole discretion, to be totally destroyed or lost, then subject to what is set out below, **You** (in this clause meaning the **Body Corporate** or any of the **Unit Owners**) and the Mortgagee agree that in respect of **Your** claim under the **Policy** relating to such destruction or loss, **We** first pay that Mortgagee to the extent of their interest in the **Building**

or **Unit**, being the amount which is owed by **You** to the Mortgagee or the sum insured as stated on the **Schedule**, whichever is the lesser.

If **You** act or omit to act in a way that leads to **Us** rejecting **Your** claim or deciding not to indemnify **You** in terms of the **Policy**, **We** will still pay the Mortgagee provided that:

2.1. the Mortgagee and its representatives were not at any stage aware of **Your** act or omission, and

2.2. the Mortgagee immediately notifies **Us** of **Your** act or omission as soon as it or its representatives, become aware of it and accepts and complies with any additional terms and conditions **We** may impose, and

2.3. **Our** rejection of **Your** claim or decision not to indemnify **You** in terms of the **Policy** was not due to any misrepresentation or non-disclosure or any fraud, dishonesty or event deliberately caused by **You** or by any person acting or colluding with **You**.

Further provided that:

1. any balance that is payable by **Us** in respect of **Your** claim after the Mortgagee has been paid, will be paid to **You**.

2. If the specific condition of average applies to the **Section** under which the **Building** or **Unit** is insured, it will apply to this clause and in such an event, the condition of average applies to the individual **Building** or **Unit** concerned (excluding the owner's interest in the land) and not to the property as a whole.

3. The total of all amounts payable by **Us** as a result of the total destruction or loss of the **Insured Property** is limited to the **Sum Insured** as stated on the **Schedule**.

3. RISK SURVEYS, INSPECTION AND AUDIT

We will be permitted, but not obliged, to inspect **Your** property and operations at any time and at **Our** own discretion. Neither **Our** rights to make inspections nor the making thereof nor any report thereon will constitute an undertaking on behalf of, or for **Your** benefit or others, to determine or warrant that such property or operations are safe.

You are reminded of the General Condition headed Duty to Take Reasonable Steps and Precautions and **Your** ongoing responsibilities to ensure compliance therewith as well as all duties regarding the maintenance of the **Situation**.

Risk Survey reports will exclude and are not intended to be:

3.1. structural engineer reports or building workmanship reports,

3.2. utilised to determine the condition and structural integrity of the roofing support structure and storm water drainage efficiency,

3.3. geo technical reports to ascertain soil types and underlying soil integrity,

3.4. designed to supersede or relax any legislation or standards applicable to Southern Africa,

3.5. an expert opinion, its aim being to identify and record the inspection conducted and protection measures observed at the time of the survey,

3.6. climatologist reports concerning flood and lightning risks.

When considered necessary, reasonable risk improvement requirements will be imposed by **Us**, subject to the relevant prescribed time frames, if applicable. Risk requirements need to be adhered to in order to ensure that insurance cover is in effect at the time of an event giving rise to a claim in terms of the **Policy**.

Any non-compliance with risk requirement measures will result in **Your** forfeiture to claim hereunder.

4. MEANING OF WORDS, POLICY INTERPRETATION & HEADINGS

The **Schedule**, **Policy** and any **Variations** thereto must 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.

It is recorded that the cover that is provided by this **Policy** and the **Terms and Conditions** have been agreed and accepted by **You** before entering into the **Policy** and that the rule of construction that this **Policy** will be interpreted against the party responsible for its preparation and drafting will not apply.

One **Section** may not be used to interpret another **Section**.

Headings included in this **Policy** should not be read in isolation.

5. PAYMENTS ON ACCOUNT

In respect of any **Section** where amounts recoverable from **Us** are delayed pending finalisation of any claim, payments on account may be made to **You**, if required and will be at **Our** discretion.

6. HOLDING COVERED ARRANGEMENTS

If **We** are holding covered on a risk, then **We** will not reject a claim on the basis that the premium has not been agreed.

In respect of items being subject to the holding covered arrangement, it is hereby warranted that:

6.1. no claim has occurred if the holding covered arrangement has been given retrospectively and no such claim will be paid if **We** are not advised,

6.2. **Your** acceptance of the terms of any holding covered arrangement whether by **You** and / or **Your** Intermediary / Agent authorises **Us** to verify all previous insurance details with other Financial Service Providers and Institutions as well as to perform credit checks with all major Credit Information Companies,

6.3. cover is subject to a duly signed proposal form inclusive of all bona fide information, a satisfactory Survey Report where requested, the outcome of the Credit Bureau Report as well as previous claims experience being provided.

6.3.1. If the survey or Credit Bureau findings are unfavourable, **We** reserve the right to withdraw or modify the quotation terms and the holding covered arrangement with immediate effect,

6.4. the holding covered arrangement is strictly subject to the **Terms and Conditions** of the **Policy**, security and other requirements stipulated by **Us**,

6.5. premium is payable on or before the **Inception Date** or **Renewal Date** of the **Policy** or item as the case may. **We** will not be obliged to accept premium tendered after the **Inception Date** or **Renewal Date** as the case may be, but do so upon such terms as **We**, at **Our** sole discretion, may determine. (Please refer to the General Condition headed Payment of Premium.),

6.6. all holding covered arrangements that lapse or which are not taken up will be subject to a minimum time on risk premium equivalent to one month's premium being charged for the period that **We** are on cover,

6.7. The holding covered arrangement is put into place on the understanding that that there is no misrepresentation of **Material Facts**, inclusive of but not limited to a claim or circumstances which may give rise to a claim which happened from the date on which the holding covered arrangement becomes effective until the date contained in the official holding covered Agreement. If this is the case, this holding covered arrangement is of no force and effect.

WARRANTIES

1. FIRE PROTECTION WARRANTY

It is a condition precedent to **Our** liability that:

1.1. all fire-fighting equipment and fire protections at **Your Situation** is installed, maintained and serviced in accordance with the National Building Regulations or Building Standards Act 1977 or any other law as may be contained in the respective Emergency Services Byelaws. The local fire brigade can assist **You** or **You** can contact a registered fire equipment company to give **You** guidance.

1.2. **You** comply with the Law inclusive of all obligations and Regulations imposed by any Authority inclusive of the National Building Regulations or Building Standards Act 1977 or any other law as may be contained in the respective Emergency Services Byelaws.

This Warranty applies whether **You** are the owner, occupier or landlord and it is **Your** ongoing duty in terms of the **Policy** to ensure compliance herewith.

Any non-compliance with this Fire Protection Warranty will result in **Your** forfeiture to claim hereunder.

2. TYPE 2 SURGE PROTECTION DEVICE WARRANTY APPLICABLE TO POWER SURGE (01/11/2023)

2.1. Unless **We** have agreed otherwise it is warranted and agreed that a Type 2 Surge Protection Device must be installed and maintained at the **Buildings** as set out in the **Schedule**. Such installation must be performed by a **Suitably Qualified Electrician**.

2.2. Any cover for **Power Surge** where **You** have not complied with the installation of a Type 2 Surge Protection Device will result in an increased Compulsory **Excess** payable by **You**.

SPECIAL PROVISION RELATING TO LIGHTNING

You will continue to have cover for **Damage** caused by lightning regardless of a Type 2 Surge Protection Device not being installed. However, in cases where a Type 2 Surge Protection Device has been installed and maintained **We** agree to waive the lightning **Excess**.

3. LINKED BURGLAR ALARM WARRANTY
(if stated to be applicable in the Schedule)

3.1. Regardless of anything contained to the contrary, in the **Policy** or any endorsement thereto, it is noted and agreed that **You** will only be indemnified for theft and burglary if the insured premises or **Insured Property** is protected by a Linked Burglar Alarm System, subject to the following conditions:

3.1.1. the Linked Burglar Alarm System must be made fully operative at all times when:

3.1.1.1. the **Premises** constituting the insured premises are **Unattended**,

3.1.1.2. the **Premises** where the **Insured Property** is kept are **Unattended.**

3.2. the Linked Burglar Alarm System must protect all access points such as doors and windows by means of magnetic contact points / switches or motion detectors and that none of the motion detectors of the required Linked Burglar Alarm System are obstructed or bypassed,

3.3. the contract agreement between **Yourself** and the alarm company / supplier must be inclusive of a 24-hour monitored armed response service,

3.4. the Linked Burglar Alarm System must be maintained in a fully operational condition at all times under the obligations of contract with the alarm company / supplier and the responsibility will rest upon **You** to ensure that the Linked Burglar Alarm System is operational and maintained at all times,

3.5. in the event of a claim, **We** hold the right to request from **You** or the alarm company / supplier confirmation of installation, maintenance, activation records and incident reports,

3.6. this **Policy** will not cover loss of or damage following : -

3.6.1. the use of the arming / disarming code of the alarm panel or remote-control unit of the linked burglar alarm system, or

3.6.2. any duplicate thereof belonging to **You** unless such code or remote control has been obtained by any means of violence.

3.7. **You** will ensure that all **Insured Property** remains protected during all periods of **Loadshedding,** inclusive of but not limited to ensuring that there is a battery backup connected to any Linked Burglar Alarm System required by **Us** to ensure that the **Premises** and **Insured Property** remains protected even when **Loadshedding** takes place.

3.8. It is an ongoing requirement that **You** must ensure that such battery backup is fully charged, maintained and regularly tested to operate optimally during periods of **Loadshedding**.

If **We** allege that, by any reason, the Linked Burglar Alarm System was not fully operational or not activated when the **Premises** were **Unattended** or that **You** have not complied with any of the requirements of this Linked Burglar Alarm Warranty as set out above**,** the burden of proving the contrary will rest on **You.**

The presence of contractors, security guards, employees, or any persons staying in separate buildings or other structures on the property does not satisfy the requirement for continuous physical presence and will not override the provisions contained in this Linked Burglar Alarm Warranty.

For the purpose of this Linked Burglar Alarm Warranty the terms **Unattended** and **Premises** shall bear the following meaning:

Unattended means that neither **Yourself** nor any person authorised by **You** is continuously and physically present at the **Premises**.

Premises means each building or structure or individual sections of a building or structure, which is subject to separate alarm systems or activation zones.

The term **Unattended** will not apply to **Premises** which are within 5m proximity from the main building or structure and **You** can prove to **Our** satisfaction that continuous and physical presence was observed.

SPECIAL EXTENSION IN RESPECT OF SASRIA / NASRIA

We operate an insurance scheme sanctioned by SASRIA SOC Limited whereby all policies are automatically extended to cover the perils insured by SASRIA. **We** issue an insurance **Schedule** in compliance with the scheme as sanctioned by SASRIA and the appropriate premium is remitted to SASRIA accordingly. The premium **You** pay is inclusive of SASRIA.

The SASRIA policy wording is separate to that of **Ours** and for ease of reference is contained at the end of this Policy.

SASRIA provides cover for loss or damage (or any attempts thereat) to **Insured Property** caused by:

1. acts to overthrow or influence any state, government, provincial, local or tribal authority through force, fear, terrorism or violence.

2. acts for political, social or economic purposes intended to cause loss or damage to further political objectives or causes.

3. riots, strikes or public disorder.

4. loss or damage resulting from the actions of any lawfully established authorities in controlling, preventing, suppressing, or dealing with any occurrence falling under point (1-3) listed above.

Looting is not a stand-alone SASRIA peril and will only be considered in terms of SASRIA if it occurs during an active peril for which SASRIA accepts liability.

This cover only applies to the below Sections if you have selected the cover.

Section 1 : Building and Common Property Contents

Section 2 : Water Apparatus Replacement and Repair

Section 3 : Business Interruption

EXTENSIONS

SASRIA does not automatically extend to include the Extensions of cover provided by **Our Policy** and they also do not provide cover for all the Extensions listed under the Clauses and Extensions.

Extensions that do qualify for SASRIA cover are indicated with **(*)** in red text in the heading of the Extension.

You need to specifically request SASRIA for an Extension otherwise **You** will not have any cover in the event of loss or **Damage** caused by a SASRIA event (listed under 1-4 above).

PART 3

SECTION 1: BUILDING AND COMMON PROPERTY CONTENTS

COVER PROVIDED

We will pay for **Damage** to **Your Buildings and Common Property Contents**, as set out in the **Schedule**. They are only insured if **You** own them or if **You** are **Legally Responsible** for them.

The most **We** will pay in respect of any one claim is the **Sum Insured** as stated in the **Schedule** and **Your Sum Insured** must be sufficient at the commencement of any **Damage** otherwise **You** will be under insured and will be considered as being **Your** own insurer for the difference between the **Damage** amount claimed and the actual value of the **Insured Property** post loss.

CLAUSES AND EXTENSIONS

1. AUTOMATIC REINSTATEMENT OF YOUR SUM INSURED FOLLOWING A LOSS (*)

We will automatically reinstate the **Sum Insured** on any **Insured Property** following a claim for loss or **Damage**. **You** will be charged a pro rata premium.

2. SUBSIDENCE & LANDSLIP

Regardless of anything contained to the contrary as listed under the Specific Exclusions to this **Section**, specifically point (4.5.), **We** will pay for **Damage** to **Your Building and Common Property Contents** caused by sudden and unforeseen **Subsidence** or **Landslip** that occurs during the **Annual Period**. This Extension does not cover:

2.1. any **Damage** to drains, water courses, boundary walls, garden walls, **Retaining Walls**, gates, posts or fences, swimming pools or surrounds, tennis courts unless **You** have asked **Us** to do so and **We** have accepted this in writing,

2.2. any **Damage** caused by or attributable to:

2.2.1. any faulty design, workmanship or construction, or the removal or weakening of support to any **Building** at the **Situation**,

2.2.2. any workmen engaged in making any structural alterations, additions or repairs to any **Building** at the **Situation**,

2.2.3. any excavation on or under land other than excavations in the course of mining operations,

2.2.4. any gradual movement of the site upon which **Your Insured Property** has been constructed,

2.2.5. any insufficient compaction or fill at the site upon which the **Building** has been erected,

2.2.6. any pre-existing conditions or where **You** or a **Unit Owner** have been aware of or suspected that the **Insured Property** is or has been subject to **Subsidence** or **Landslip**.

2.3. any underpinning foundations or any work required to prevent further **Damage**,

2.4. any consequential loss of any kind whatsoever,

2.5. any loss or **Damage** occurring in any of the following geographical areas:

2.5.1. Klerksdorp, Virginia, Welkom, Carletonville, Orkney, Randfontein and all other general mining areas,

2.5.2. Centurion including Irene or any other dolomite area.

2.6. any cause resulting from or in any way connected to any General Exclusion listed in Part 2 of this **Policy**,

For the purpose of this Extension the **Excess** as specified in the **Schedule** will apply to each **Unit** individually and not to the entire **Sum Insured** on the **Buildings and Common Property Contents**. If the **Common Property** is separately identified on the **Schedule**, then any claim for **Damage** to **Common Property** will be separately subject to this **Excess**.

If **We** reject **Your** claim due to any breach of the **Policy Terms and Conditions** the burden of proving the contrary will rest with **You**.

3. BUILDING ON ANOTHER SITE

With due consideration to the General Condition headed Reinstatement Conditions noted under Part 2 of the **Policy**, if **Your Building** is destroyed or is in such a condition rendering it uneconomical to repair, replace or rebuild, **We** will allow **You** to rebuild **Your Building** on another site. **We** will only pay the lesser of:

3.1. the reasonable cost of rebuilding on another site to a condition which is substantially the same but not better or more extensive than the **Building** when new.

3.2. the **Sum Insured** applicable to **Section** 1: **Buildings and Common Property Contents.**

4. FLOOR SPACE RATIO

If, following loss or **Damage**, the size of **Your Building** is reduced by any Government Law or Local Authority Byelaw **We** will:

4.1. pay the cost of re-building or repairing the **Damaged** portions of **Your Building** for the reduced size,

4.2. pay in cash the difference between:

4.1.1. the actual cost of rebuilding or repairing the **Damaged** portions of **Your Building** for the reduced size of **Your Building** and,

4.1.2. the estimated cost of rebuilding repairing the **Damaged** portions had the size of **Your Buildings** not been reduced.

We will not pay more than the **Sum Insured** and **We** will reduce the amount **We** pay **You** by any amount of compensation **You** may receive.

5. DEMOLITION (*)

We will pay the reasonable cost of demolishing and removing any **Building** debris when loss or **Damage** occurs. **We** will not pay more than the percentage / amount stated in the **Schedule** for such claim.

6. PROFESSIONAL FEES (*)

We will pay the reasonable cost of architects, engineers, surveyors and legal fees when loss or **Damage** occurs. **We** will not pay more than the percentage / amount stated in the **Schedule** for such claim.

7. COST OF SUBMITTING PLANS AND OBTAINING BUILDING APPROVALS (*)

We will pay for **You** to make submissions to the following when accidental loss or **Damage** occurs:

7.1. Local Authorities and Local Government authorities,

7.2. Licensing authorities.

We will also pay for the cost of attending any hearing. This is inclusive of the cost of:

7.3. Instructing attorneys liaising with architects, engineers, surveyors or builders,

7.4. Attending **Your** meetings.

8. FIRE EXTINGUISHING COSTS (*)

We will pay the costs and expenses necessarily incurred for the purpose of extinguishing a fire at **Your Building** inclusive of the cost of re-filling fire extinguishers.

9. PUBLIC AUTHORITY REQUIREMENTS (*)

Where **Your Building** is destroyed or **Damaged**, **We** will pay the additional cost incurred by **You** in complying with the requirements of any lawful authority that are imposed after the **Damage** (inclusive of demolition or dismantling) but not more than the **Sum Insured** stated in the **Schedule**. This Extension is subject to the following conditions

9.1. the work of reinstatement must be started and completed within a reasonable period, failing which **We** will not make any payment in respect of the extra cost of reinstatement.

9.2. the work of reinstatement may be carried out wholly or partially at another site, if the requirements of any Lawful Authority makes that necessary.

9.3. where the **Building** is not destroyed, **We** will only pay for the extra costs incurred in reinstating the **Damaged** portion of the **Building**.

9.4. **We** will not pay for the cost of reinstating illegal installations.

10. MORTGAGE DISCHARGE FEES

We will pay up to the amount stated in the **Schedule** for legal costs to discharge **Your** mortgage if **Your** claim is a total loss.

11. DAMAGE TO GARDENS AND LANDSCAPING (*)

We will pay up to the amount stated in the **Schedule** to remove and replace trees, plants or shrubs and lawns if they are stolen, burnt or the subject of **Malicious Damage** or where **Damage** is caused by a vehicle.

12. REWARD FOR INFORMATION

We will pay a reward for information leading to the successful arrest and conviction of any person found guilty of arson, theft or **Malicious Damage** to **Your Unit / Building** up to the amount stated in the **Schedule**.

13. REPLACEMENT OF KEYS AND LOCKS (*)

We will indemnify **You** for the cost of replacing locks and keys, inclusive of any remote controls and if necessary, the reprogramming of any coded security system of **Your Building** following loss or **Damage**.

Our indemnity is limited to the amount shown in the **Schedule.**

14. EMERGENCY COSTS TO MINIMISE OR PREVENT DAMAGE

We will pay emergency costs up to the amount stated in the **Schedule** necessarily and reasonably incurred by **You** in order to prevent or minimise imminent **Damage** to **Your Building or Common Property Contents**.

15. TEMPORARY PROTECTION AND SECURITY GUARD COSTS (*)

We will cover expenses that are both necessary and reasonable for the employment of guards to ensure temporary protection and safety of **Insured Property** and the security of occupants while awaiting the repair, replacement, or rebuilding of the **Damaged Insured Property** provided it has been arranged with a registered security company.

This Extension is limited to the maximum days allowed and amount per day as shown in the **Schedule**.

16. FALLEN TREES

We will pay the costs necessarily and reasonably incurred by **You** up to the amount stated in the **Schedule** for removing and disposing of fallen trees and branches that have caused **Damage** to **Insured Property**.

16.1. **We** will not pay any costs for the removal of tree stumps or anything below the ground (such as roots). The cost of removing a tree which is on the verge of falling or which has the potential to cause **Damage** does constitute a claim under this Extension and is specifically excluded from the cover.

17. THEFT OF EXTERIOR FIXTURES AND FITTINGS

Regardless of anything contained to the contrary as listed under the Specific Exclusions to this **Section**, specifically point (4.12), **We** will pay up to the amount stated in the **Schedule** for theft (or any attempt thereat) of **Exterior Fixtures and Fittings** by forcible means.

18. POWER SURGE

Subject to the Type 2 Surge Protection Device Warranty Applicable to **Power Surge** (01/11/2023) and regardless of anything contained to the contrary as listed under the Specific Exclusions to this **Section**, specifically point (4.16), **We** will pay up to the amount stated in the **Schedule** for **Damage** to the **Buildings and Common Property Contents** caused by **Power Surge**. **Damage** to appliances will be limited to the replacement of the **Damaged** part. If **We** cannot replace the part, **We** will pay **You** the equivalent amount in cash. **We** will not pay for the replacement of or repair to any undamaged portion of the property.

19. ADDITIONS AND ALTERATIONS (*)

Regardless of anything contained to the contrary as listed under the Specific Exclusions to this **Section**, specifically point (3.2.), **We** will pay for loss or **Damage** to property being constructed or installed at the **Situation** provided that the contract value does not exceed the amount stated in the **Schedule**.

Further provided that:

19.1. **We** will not provide cover for any **Damage** which is more specifically insured by any other policy covering the **Insured Property** while it is under construction. Any Contractor's All Risks or Contractor's Works insurance policy is considered as being more specifically insured and **We** will not contribute to any claim and / or any dual insurance provisions.

19.2. the existence of this Extension must under no circumstances be disclosed to any contractor or any other Third Party the intention being that **You** claim on behalf of such contractor or Third Party,

19.3. this Extension does not provide any cover for the benefit of any contractor or Third Party,

19.4. Free issue materials, temporary works (such as but not limited to scaffolding, formwork, temporary supports, falsework, temporary bracing, and other structures or systems designed to assist in the construction process which do not form part of the permanent structure after completion of construction) and any property being the contractor's own plant and equipment is not covered by this Extension,

19.5. Temporary and offsite storage is not covered,

19.6. **Our** acceptance to provide cover under this **Further Extension** does not waive any rights of recourse against such contractor or Third Party.

20. RETAINING WALLS

Regardless of anything contained to the contrary as listed under the Specific Exclusions to this **Section**, specifically point (3.8), **We** will pay up to the amount stated in the **Schedule** for **Damage** to **Retaining Walls** by storm, wind, water, hail, snow or flood provided that the wall has been designed and constructed as a **Retaining Wall**. In the event of a claim **You** will be asked to provide **Us** with the engineer's plans, specifications or drawings for the **Retaining Wall**.

21. HAIL DAMAGE TO SKYLIGHTS, GLASS AWNINGS OR GLASS STRUCTURES

Regardless of anything contained to the contrary as listed under the Specific Exclusions to this **Section**, specifically point (3.7), **We** will pay up to the amount stated in the **Schedule** for **Damage** to skylights, glass awnings or glass structures by hail.

OPTIONAL EXTENSIONS – ONLY INSURED IF SELECTED BY YOU AND AN ADDITIONAL PREMIUM PAID

1. ADDITIONAL CLAIMS PREPARATION COSTS (*)

We will pay in addition to the amount stated in General Provision headed Specific Extension in respect of Claims Preparation Costs applicable to all **Sections** such further amount as stated in the **Schedule** for additional Claims Preparation Costs.

2. ESCALATION EXTENSION (*)

During each **Annual Period** the **Sum Insured** will be adjusted based on a percentage specified in the **Schedule**, calculated proportionally to the number of days since the period began. These adjustments apply only to **Sums Insured** at commencement of the **Annual Period**, unless otherwise agreed.

At each **Renewal Date You** must inform **Us** of the **Sum Insured** for the upcoming **Annual Period** and the percentage increase needed for that period. Failure to do so will result in the termination of these provisions.

The additional premium for this extension will be 50% of the premium resulting from applying the specified percentage to the annual premium of the **Sum Insured** covered by this Extension.

3. INFLATION EXTENSION (*)

We will adjust the **Sums Insured** in line with current economic conditions for the next **Annual Period** from the **Renewal Date** stated on **Your Schedule**.

Provided that:

3.1. the cover afforded by this Extension will not be in force or have effect if **You** are unable or unwilling to reinstate or replace the property damaged on the same or another site,

3.2. any amount payable that may be indemnified in terms of any other policy will be deducted from any amount payable in terms of this **Policy**,

3.3. this Extension is limited to the percentage specified in the **Schedule** based on the replacement value plus escalation sum insured at the time of loss,

3.4. the cover provided by this Extension will not exceed the last day of the next **Annual Period.**

The additional premium for this extension will be 25% of the premium resulting from applying the specified percentage to the annual premium of the **Sum Insured** covered by this Extension.

4. OWNERS FIXTURES AND FITTINGS (NOT OTHERWISE INSURED) (*)

Regardless of anything contained to the contrary as listed under the Specific Exclusions to this **Section**, specifically point (3.9), **We** will pay up to the amount stated in the **Schedule** for unfixed / movable floor coverings, curtains and window coverings inside a **Unit** which **You** own or for which **You** are **Legally Responsible**.

5. INSTALLED SOLAR SYSTEM EXTENSION (*)

5.1. Unless **We** have agreed otherwise **Your Installed Solar System** is insured in terms of the Cover Provided only if this has been specified as a separate item on **Your Schedule** and an additional premium has been paid.

5.2. This cover is strictly subject to ongoing compliance with the Installed Solar System Certificate of Compliance Warranty, Non-Contribution Clause and Installed Solar System Finance Clause.

5.3. It is a requirement precedent to any cover that all the **Terms and Conditions** of this **Optional Extension** as well as any **Terms and Conditions** forming part of the **Section** must be observed and complied with at all times failing which **You** will forfeit **Your** right to claim and **We** will be entitled to reject **Your** claim.

5.4. In compliance with the requirement that all **Electrical Installations** must be performed by a **Suitably Qualified Electrician**, it is also required that such **Suitably Qualified Electrician** must be in possession of their own insurance policy which is inclusive of liability covering the installation, testing and commissioning of such installation.

5.5. **We** will only cover costs for **Damage** after installation, testing, commissioning and hand over has been completed. There is no cover while the **Installed Solar System** is being installed, tested and / or commissioned.

5.6. The option to replace, reinstate or repair **Your Installed Solar System** remains at **Our** discretion and **You** must have a valid claim for the **Installed Solar System**.

5.7. A linked alarm (refer to Warranty Section headed Linked Alarm Warranty) is required in order to qualify for theft cover unless **We** have previously agreed to waive this requirement in writing.

INSTALLED SOLAR SYSTEM CERTIFICATE OF COMPLIANCE WARRANTY

You agree that **You** will obtain the Certificate of Compliance (COC) once testing, commissioning and hand over has been completed. **We** reserve the right to call for the COC in the validation of any claim made under the **Policy** if this has not been provided to **Us** at the time of **Us** accepting cover for the **Installed Solar System**.

You will forfeit **Your** right to claim if **You** fail to comply with the COC requirement and **We** will be entitled to reject **Your** claim if **We** establish that **You** have not complied with the provisions of this **Installed Solar System** Certificate of Compliance Warranty.

NON-CONTRIBUTION CLAUSE

If any **Damage** is more specifically insured against under any other **Extension** or provision insured under this **Policy**, cover under this **Installed Solar System Extension** will not be brought into contribution with such other **Extension** or provision.

INSTALLED SOLAR SYSTEM FINANCE / RENTAL CLAUSE

Regardless of anything contained to the contrary in the **Policy** or endorsement thereto it is noted and agreed that **We** will not be liable to notify any financier / lessor where **You** have breached the terms and conditions of such finance / rental agreement or where the **Policy** is endorsed or cancelled for whatsoever reason.

BASIS OF HOW WE WILL PROVIDE COVER

Our indemnity is limited to the replacement value, or the **Sum Insured** stated in the **Schedule** except for loss of or **Damage** to batteries, where **Our** indemnity is limited to the percentage of depreciation to the replacement value of such batteries forming part of the **Installed Solar System** but never exceeding the initial purchase price, or the **Sum Insured** as stated in the **Schedule** whichever is the lesser.

Depreciation scale applicable to Lithium – ion batteries

AGE OF BATTERY	**% OF CO PAYMENT BY YOU**
Up to 5 Years	0%
More than 5 Years -7 Years	15%
More than 7 Years – 10 Years	50%
More than 10 Years but less than 12 Years	80%
More than 12 Years	No cover

Depreciation scale applicable to Lead plate batteries

AGE OF BATTERY	% OF CO PAYMENT BY YOU
Up to 5 Years	0%
More than 5 Years -7 Years	50%
More than 7 Years – 10 Years	80%
More than 10 Years	No cover

If a valid claim has been made against this **Section**, the **Sum Insured** must be sufficient to cater for the below additional costs and any settlement made will not exceed the combination of these costs and the **Sum Insured** of the **Installed Solar System** in respect of:

1. dismantling,
2. re-erection,
3. transportation,
4. removal of damaged property insured (but less the value of the remains),
5. importation duties and value added tax (if and where applicable).

PARTIAL LOSS

If the **Installed Solar System** suffers **Damage** that can be repaired, the basis of how **We** will provide cover will be the cost of replacing or reinstating the **Damaged Insured Property** to working order provided that, **We** will under no circumstance pay for any costs (additional or otherwise) incurred in respect of replacing, reinstating or upgrading **Your Installed Solar System** due to incompatibility howsoever arising.

The value of **Damaged** parts which can be used will be deducted from any settlement offered hereunder and **We** will not cover any costs associated with any alteration, addition, improvement or overhaul or any costs (additional or otherwise) incurred in respect of replacing, reinstating or upgrading **Your Installed Solar System** or parts thereof due to incompatibility howsoever arising.

If **Damage** is restricted to a part or parts of the **Installed Solar System**, **We** will not be liable for any amount greater than the value of such part or parts which are lost or **Damaged** allowed for within the **Sum Insured** and provided that the **Sum Insured** is adequate.

If, without **Our** consent, temporary repairs are carried out by **You** in the interests of safety or to minimise further loss or **Damage** to the **Installed Solar System** insured by this **Policy**, the cost of such temporary repairs will be borne by **Us**. In the event that the temporary repairs aggravate the loss or cause additional loss or **Damage** to the **Installed Solar System**, any additional costs so incurred or consequence arising therefrom will be for **Your** own account.

TOTAL LOSS

If the **Installed Solar System** is totally destroyed, the basis of how **We** will provide cover will be the cost of replacing or reinstating on the same site property of equal performance and / or capacity or, if such be impossible, its replacement by property having the nearest equivalent performance and / or capacity to the property lost or **Damaged** provided always 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 **Our** liability not being thereby increased) must be commenced and carried out with reasonable dispatch otherwise no payment exceeding the market value of the **Installed Solar System** immediately before the **Damage** will be made,

2. until expenditure has been incurred by **You** in replacing or reinstating the **Installed Solar System**, then **We** 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. these conditions will be without force or effect if:

3.1. **You** fail to intimate to **Us** within 6 months of the date upon which the **Damage** occurred (or such further time as **We** may in writing allow) **Your** intention to replace or reinstate the **Installed Solar System**,

3.2. **You** are unable or unwilling to replace or reinstate the **Installed Solar System** on the same or another site.

If **You** fail to comply with any of the provisions of the conditions stipulated above, **You** will forfeit **Your** right to claim, and **We** will be entitled to reject **Your** claim.

SPECIFIC EXCLUSIONS APPLICABLE TO THIS INSTALLED SOLAR SYSTEM EXTENSION

We will not indemnify **You** for any claim, cost or expense howsoever arising in respect of:

1. any installation which has not been completed by a **Suitably Qualified Electrician**,

2. any costs associated with making the **Installed Solar System** or any part thereof compatible,

3. any costs associated with any contribution towards any other Extension or provision,

4. any installation which increases the hazard to the structural design and load bearing capacity of the **Building**, inclusive of but not limited to faulty and inadequate installation, design and workmanship to the **Installed Solar System** or any other **Insured Property** or surrounding property thereto,

5. any loss or **Damage** caused by, through or in connection with any of the causes listed in points (1-4) above,

6. any theft or attempted theft which is not accompanied by forcible and violent means, unless **We** have waived the theft or attempted theft requirement and this is noted as being previously agreed to by **Us** in writing and endorsed hereto.

7. any cause resulting from or in any way connected to any other exclusion in terms of the **Policy** and / or **Section** to which the **Installed Solar System Extension** applies.

If **We** allege that loss or **Damage** is not covered by this **Policy**, the burden of proving the contrary will rest with **You** and **We** will be entitled to reject **Your** claim.

SPECIFIC CONDITIONS

AVERAGE

If the **Building** and **Common Property Contents** are, at the commencement of any **Accidental** loss or **Damage**, collectively of greater value than the **Sum Insured** thereon, then **You** will be liable for the difference and will bear a ratable share of the loss accordingly. Every item, if more than one, shall be separately subject to this Condition.

MATCHING OF FLOOR AND WALL COVERINGS

We will pay for the replacement of **Damaged** flooring or wall coverings in the room or passage that the **Damage** actually occurred. **We** will try to match any materials used to repair **Your Building** to the original materials. If **We** cannot, **We** will use the nearest equivalent materials available to match the original materials. **We** will not pay any costs for replacing undamaged property. If the proposed repair or replacement is not acceptable to **You**, **We** will pay in cash the equivalent cost that **We** would have paid to match the original materials. Under no circumstances will we pay for compatibility costs howsoever arising.

SPECIFIC EXCLUSIONS

We will not pay for:

1. any consequential loss of any kind except if it is specifically covered,

2. any legal liability of any kind,

3. any **Damage** to:

3.1 any **Building** or other **Insured Property** which is vacated and undergoing or intended for demolition,

3.2 any **Building** or other **Insured Property** which is in the course of construction, erection, alteration or addition,

3.3 any marinas, docks, wharves and piers,

3.4 **Money**,

3.5 moveable property in the open air unless it is part of the **Common Property Contents** designed to function in the open,

3.6 any swimming pools, spas, Jacuzzis or their surrounds caused by movement of their foundations or structure,

3.7 any skylights, glass awnings or glass structures by hail,

3.8 any **Retaining Wall** by storm wind, water, hail, snow or flood.

3.9 any unfixed / movable floor coverings, curtains and window coverings,

4. any **Damage** arising directly or indirectly out of or in any way connected with:

4.1 any change in texture or finish,

4.2 any creeping, heaving or vibration,

4.3 any cracking or collapse of **Buildings** unless caused by an event that is not excluded from cover,

4.4 any demolition ordered by any lawful authority due to **You** or **Your** agents' failure to obtain the necessary building, construction or development consents or permits,

4.5 any erosion, **Subsidence**, **Landslip** or any other earth movement or collapse unless the **Damage** arises out of an earthquake or seismological disturbance, explosion or physical impact by aircraft,

4.6 any error, omission or failure in design, plan or specification,

4.7 any faulty materials or defective or faulty workmanship,

4.8 any hydrostatic pressure or changes in the water table,

4.9 any incorrect siting of any insured **Building**,

4.10 any inherent vice or latent defect,

4.11 any kidnapping, bomb threat, threat of contamination, hoax, extortion or any attempt thereat,

4.12 any theft unless accompanied by violent and forcible entry into or exit from the interior of an insured **Building** or portion thereof. **Damage** to perimeter walls, gates and fences does not constitute violent and forcible entry into or exit from the interior of a **Building**,

4.13 any denting, chipping or scratching not affecting the operation of the **Insured Property**,

4.14 any lack of maintenance or any other failure to keep any **Insured Property** in good repair,

4.15 any **Insured Property's** own mechanical, hydraulic, electrical or electronic breakdown or derangement,

4.16 any **Power Surge**,

4.17 any mildew, mould, contamination, disease, wet or dry rot, change of colour, oxidation, evaporation, dampness of atmosphere or variations in temperature,

4.18 any seepage, normal settling, shrinkage or expansion in **Buildings** or foundations, walls, pavements, roads and other structural improvements,

4.19 any removal or weakening of support of foundations by **You** or any other person for the purpose of construction, alterations, additions, renovations or repair,

4.20 any storm, wind, water, hail, snow, theft, attempted theft or **Malicious Damage** to an insured **Building** undergoing renovation, repair or alteration if the building is not fully roofed or the window and door openings are not closed. This is inclusive of repairs to a **Building** following insured **Damage**,

4.21 any roots of trees, shrubs or other plants,

4.22 any spontaneous combustion, fermentation or heating or any process involving the direct application of heat but that this exclusion will only apply to the item or items immediately affected,

4.23 smoke, dirt, dust or smut from industrial operations or construction sites,

4.24 the actions of or soiling by animals, birds, vermin, moths, insects, termites or other pests or domestic pets,

4.25 any leakage of baths and showers, bath and shower traps, failure of grouting and waterproofing,

4.26 any blocked drains, waste or sewerage pipes, but not the resultant sudden and unforeseen **Damage** to the **Buildings and Common Property Contents**,

4.27 any tenting or lifting of tiles unless caused by an event not excluded from cover,

4.28 any wear and tear, gradual deterioration, corrosion, rust or oxidation, fading, chipping, scratching or marring or developing flaws, concrete or brick 'cancer',

4.29 any normal upkeep or making good actual physical loss of, or **Damage** to **Insured Property** by a cause provided for in terms of this **Policy** on the basis that the **Insured Property** has been deemed to be destroyed in terms of Section 48 of the **Act** and the provisions of that section will not apply regarding application and / or interpretation of this **Policy**.

5. any theft, attempted theft or **Malicious Damage** to the **Building** if it has been **Unoccupied** for more than 30 consecutive days unless **You** obtain **Our** written agreement to continue this cover before the unoccupancy commences. During the first 31 days of unoccupancy, **You** will be liable for 20% of any claim or such other amount as may be stated in the **Schedule**.

6. any cost of removing or the disposal of any **Damaged** or undamaged portion of the **Insured Property** that is constructed of or contains asbestos or asbestos related products.

7. any cause resulting from or in any way connected to any other General Exclusion in terms of the **Policy**.

If **We** allege that loss or **Damage** is not covered by this **Policy**, the burden of proving the contrary will rest with **You** and **We** will be entitled to reject **Your** claim.

SECTION 2: WATER APPARATUS REPLACEMENT AND REPAIR

Definitions (in addition to the definitions described in *Part 2*)

1. Boiling Water Dispenser: means an instantaneous water heater primarily for boiling water (e.g. HydroBoil).

2. Direct Thermosiphon system: means a close couple system where the tank and collector are not able to be separated and there is no heat transfer liquid present.

3. Electric Demand Heater: means an instantaneous water heater which is activated on demand.

4. Gas Water Heater: means water heating devices which are powered / heated by gas.

5. Heat Pump: means a water heating system inclusive of compressor, electronic control device, evaporator and circulating pump but does not include integrated heat pump systems where the hot water cylinder and heat pump are combined.

6. Indirect Thermosiphon system: means a **Solar Water Apparatus** system where the tank has a jacketed layer around the cylinder that is filled with heat transfer liquid that circulates through the collector via natural convection heating up as it absorbs solar energy.

7. Solar Water Apparatus: means a water heating device that uses solar heat energy to produce hot water and comprise of solar collectors and related piping.

8. Under and Over Basin Units: means water heaters which are not on a dedicated electrical circuit.

9. Water Heaters without Inbuilt Storage: means a water heating device which does not have a cylinder / storage component.

10. Water Apparatus: means :

10.1 the water heating system comprising of the hot water cylinder (which is the main vessel for storing heated water),

10.2 the temperature and pressure valve to regulate the temperature and pressure within the system for safety,

10.3 the expansion control valve to manage expansion of water within the system to prevent overpressure,

10.4 the isolating valves to facilitate maintenance and repair by isolating the system from the water supply,

10.5 vacuum breakers to prevent the formation of a vacuum within the system,

10.6 the pressure control valve which regulates water pressure within the system,

10.7 mounting brackets and hangers for securely mounting the system in place,

10.8 drip tray to catch / collect any potential leaks or condensation,

10.9 thermic insulation to provide thermal protection to conserve heat,

10.10 Pipe work connected to and from the system, extending not more than 1 meter before and after the unit and the connection to the electricity supply on the distribution board via a fused outlet, with the flex permanently connected.

COVER PROVIDED

We will provide cover if **Your Water Apparatus** suddenly fails or stops working.

SPECIFIC CONDITIONS

1. It is a condition precedent to any cover provided that all **Water Apparatus** must comply with the relevant legislative standards at the time of installation, maintenance repairs and replacements

2. **You** are expected to comply with the supplier's warranty regarding maintenance of the **Water Apparatus** and its components and **We** will not pay for repairs or replacements where **You** have not done so.

3. **You** are urged to arrange an annual inspection of **Water Apparatus** to ensure that they remain in good working order. Sacrificial anodes and other wearing parts should be replaced before they fail.

4. If **We** are unable to repair or replace **Your Water Apparatus** for whatever reason **We** may pay to **You** the maximum amount of what **We** would have paid to repair or replace such **Damage** similar to the original but never exceeding **Our Water Apparatus** limits stated in the **Schedule**. Once **We** settle such claim and **We** will under no further obligation in relation to such claim.

OPTIONAL EXTENSIONS – ONLY INSURED IF SELECTED BY YOU AND AN ADDITIONAL PREMIUM PAID

1. **ADDITIONAL COSTS**

We will pay the additional costs to alter the fabric of the **Building** which are reasonably and necessarily incurred by **You** in order to facilitate the installation of a replacement **Water Apparatus** not exceeding the amount stated in the **Schedule**.

SPECIFIC EXCLUSIONS

We will not pay for:

1. any amount that exceeds the amounts stated in the **Schedule**,

2. any loss or **Damage** arising from faulty or defective design,

3. any costs incurred by you for normal maintenance and repair,

4. consequential loss of any kind whatsoever,

5. any item forming part of the **Water Apparatus** and attachments covered by a guarantee,

6. any part or component of a solar installation or heat pump,

7. any additional costs incurred by **You** in accessing a **Water Apparatus** for the purpose of replacement or repair,

8. any **Water Heaters Without Inbuilt Storage**,

9. any **Direct Thermosiphon systems,**

10. any **Boiling Water Dispenser**,

11. any **Under and Over Basin Units**,

12. **Heat Pumps** (unless specified as a separate item and accepted by **Us** in writing),

13. **Electric Demand Water Heaters**,

14. **Gas Water Heaters** (unless specified as a separate item and accepted by **Us** in writing),

15. **Solar Water Apparatus** (unless specified as a separate item and accepted by **Us** in writing),

16. **Indirect Thermosiphon systems** (unless specified as a separate item and accepted by **Us** in writing),

17. **Pool Heaters,**

18. any cost incurred by **You** in making a **Water Apparatus** compliant with any applicable legislation,

19. any additional costs incurred due to incompatibility howsoever arising.

20. any cause resulting from or in any way connected to any other General Exclusion in terms of the **Policy**.

If **We** allege that loss or **Damage** is not covered by this **Policy**, the burden of proving the contrary will rest with **You** and **We** will be entitled to reject **Your** claim.

SECTION 3 : BUSINESS INTERRUPTION

Definitions (in addition to the definitions described in *Part 2*)

1. Annual Gross Rentals

means the **Gross Rentals** during the twelve months immediately before the date of **Material Damage** 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 **Material Damage** or which would have affected the **Business** had the **Material Damage** not occurred, so that the figures thus adjusted will represent as nearly as may be reasonably practicable the results which, but for the **Material Damage**, would have been obtained during the relative period after **Material Damage.****

**** IMPORTANT****

If **Material Damage** occurs before the completion of the first year's trading of the **Business** at the **Situation**, the value of the terms indicated by (**) will be calculated by using values proportionate to the results obtained during the period between the commencement of the **Business** and the date of **Material Damage**.

2. Gross Rentals

means the money paid or payable to **You** by **Tenants** in respect of rental of the **Building(s)** and for services rendered.

3. Indemnity Period

means the period beginning with the commencement of **Material Damage** and ending not later than the number of months stated in the **Schedule** during which the results of the **Business** are affected in consequence of **Material Damage.**

4. Material Damage

means **Accidental** physical loss of or **Accidental** physical damage to tangible property by :

4.1. fire, lightning or explosion,

4.2. storm, wind, water, hail or snow,

4.3. impact,

4.4. earthquake or any other natural catastrophe.

5. Standard Gross Rentals

means the **Gross Rentals** during that period immediately before the date of **Material Damage** which corresponds with the **Indemnity Period** 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 **Material Damage** or which would have affected the **Business** had the **Material Damage** not occurred, so that the figures thus adjusted will represent as nearly as may be reasonably practicable the results which, but for **Material Damage**, would have been obtained during the relative period after **Material Damage.**

COVER PROVIDED

We will indemnify **You** for loss of **Gross Rentals** and Increased Cost of Working in consequence **Material Damage** during the **Period of Insurance** at the **Situation** described in the **Schedule** in respect of which payment has been made or liability admitted under **Section** 1: **Buildings** for the period not longer than the **Indemnity Period** stated in the **Schedule**.

The amount payable as indemnity will be:

1. in respect of loss of **Gross Rentals** - the amount by which the **Gross Rentals** during the **Indemnity Period** will in consequence of **Material Damage** fall short of the **Standard Gross Rentals**,

2. 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** but for that expenditure which would have taken place during the **Indemnity Period** in consequence of **Material 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 charges and expenses of the **Business** payable out of **Gross Rentals** as may cease or be reduced in consequence of **Material 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 thirty six (36) months or less or the appropriate multiple of the **Annual Gross Rentals** where the **Indemnity Period** exceeds thirty six (36) months.

Our maximum liability for any claim under this item for loss of **Gross Rentals** and Increase in Cost of Working will be limited to 25% of the Total **Sum Insured** under **Section** 1- **Buildings** being the sum of the basic **Sum Insured** on the **Building(s)** only.

CLAUSES AND EXTENSIONS

1. ACCOUNTANTS' CLAUSE

Any particulars or details contained in **Your** books of account or other **Business** books or documents which may be required by **Us** 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.

2. ADDITIONAL PREMISES

In the event that **You** should occupy or have 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 inclusive of those specified hereunder subject to **Us** receiving information as soon as reasonably practicable as well as adjustment of the premium if necessary.

3. EXTENSIONS TO OTHER PREMISES

3.1. PREVENTION OF ACCESS

We will indemnify **You** up to a maximum of 10% of the Business Interruption **Sum Insured** or the amount stated in the **Schedule** (whichever is the lesser) where the direct cause of **Your** loss and the sole reason for the reduction in **Gross Rentals** is in respect of property within a 10km radius of **Your Situation** which is the subject of **Material Damage** which prevents or hinders the use of or access to **Your Situation** (whether **Your Buildings** are **Damaged** or not).

3.2. PUBLIC UTILITIES

We will indemnify **You** up to a maximum of 10% of the Business Interruption **Sum Insured** or the amount stated in the **Schedule** (whichever is the lesser) where the direct cause of **Your** loss and the sole reason for the reduction in **Gross Rentals** is in respect of interruption of or interference with **Your Business** in consequence of **Material Damage** causing total or partial failure of the public supply of water, gas or electricity to **Your Situation**.

Provided that this **Section** does not cover loss or **Damage** directly or indirectly caused by:

3.2.1. drought,

3.2.2. pollution of water,

3.2.3. shortage of fuel or water,

3.2.4. a fault on any part of the installation belonging to the premises of such utility,

3.2.5. the exercise of an authority empowered by law to supply water, gas or electricity of its power to withhold or restrict supply or **Grid Failure** (refer to the General Exclusion headed **Grid Failure** Exclusion 01/04/2023).

3.2.6. any event described in the General Exclusions.

OPTIONAL EXTENSIONS – ONLY INSURED IF SELECTED BY YOU AND AN ADDITIONAL PREMIUM PAID

1. ADDITIONAL INCREASE IN COST OF WORKING

The insurance under this item is limited to reasonable additional expenditure (not recoverable under the **Gross Rentals** item) incurred with **Our** consent during the **Indemnity Period** in consequence of **Material Damage** for the purpose of maintaining the normal operation of the **Business**.

SECTION 4: PUBLIC LIABILITY (CLAIMS MADE BASIS: EACH AND EVERY LIMIT)

Definitions (in addition to the definitions described in *Part 2*)

1.	**Bodily Injury:**	means **Accidental** death, physical injury or illness to any person.
2.	**Claims Made Basis:**	means that this **Section** of the **Policy** provides indemnity for claims that are made against **You** during the **Annual Period** but only in relation to **Events** that occurred on or after the **Retroactive Date** stated on the **Schedule**.
3.	**Damage:**	means actual physical loss of possession or control of, or actual physical damage to **Property**.
4.	**Damages:**	means monetary compensation (which term will be inclusive of claimant's legal costs and expenses) that is awarded against **You** by a court of law, or for which **You** will become legally liable within the ambit of the civil or criminal justice system.
5.	**Defamation:**	means defamatory statements, injuria, false imprisonment or malicious prosecution either committed or alleged to have been committed directly in connection with an arrest.
6.	**Each and Every Limit (EEL):**	means the amount payable, inclusive of **Damages** recoverable from **You** by a claimant or any number of claimants, **Legal Costs** incurred with **Our** consent for any **Occurrence** all of which will not exceed the Limit of Indemnity stated in the **Schedule**.
7.	**Employee:**	means a person employed under a contract of service or apprenticeship with **You**.
8.	**Event:**	means any circumstance or incident that is not intended or expected which may give rise to a claim for indemnification as insured under this **Section** of the **Policy**.
9.	**In the Annual Aggregate / Aggregate Limit (AGG):**	means a pre-determined Rand amount up to which the **Policy** will cover **You** each **Annual Period**, regardless of the number of claims submitted or **Legal Costs** associated with these claims.
10.	**Legal Costs:**	means costs, charges and expenses which **We** incurred or which **You** incurred with **Our** prior consent: **10.1.** in the defence or settlement of any claim under this **Section** of the **Policy** or any legal proceeding, action or prosecution brought against **You** in respect of **Bodily Injury** or **Damage** or other liability as insured in terms of this **Section** of the **Policy**. **10.2.** in the representation at any inquest or accident inquiry in respect of **Bodily Injury** which may form the subject of indemnity under this **Section** of the **Policy**.
11.	**Limit of Indemnity:**	means the sum insured stated in the **Schedule**.
12.	**Occurrence:**	means an **Event** or series of **Events** arising out of one originating cause or source.

13. Pollution: means:

13.1. actual, alleged, or threatened:

13.1.1. ingestion, inhalation, absorption, release, escape, discharge, dispersal, seepage of, contact with, or exposure to, **Pollutants**,

13.1.2. subsequent spread, migration, or movement of **Pollutants** following (13.1.1) above.

14. Pollution Costs: means 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.

15. Pollutant: means 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 (inclusive of 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.

16. Property: means tangible property, which is an object that is perceptible by touch with physical substance but will not include information (whether generated or stored electronically or otherwise), intellectual property or intangible property (including rights and / or value).

17. Retroactive Date: means the starting point from which cover is provided for in terms of this **Section** of the **Policy** and where claims are made against **You** during the **Annual Period**.

18. Wrongful Arrest: means **Bodily Injury**, assault and battery committed or alleged to have been committed at the time of making or attempting to make an arrest or in resisting an overt attempt to escape by a person under arrest before such person has been or could be placed in the custody of the police or a law enforcement officer.

COVER PROVIDED

We will indemnify **You** for **Damages** which **You** will become legally liable to pay resulting from a claim first made against **You** during the **Annual Period** (and notified to **Us** in terms of the General Condition headed Claims) in respect of **Bodily Injury** or **Damage** at the **Situation** for an **Event** that occurs on or after the **Retroactive Date** shown in the **Schedule** resulting from any of the circumstances below.

1. If **You** have insured **Your Buildings**, **We** will pay **Damages You** incur as the **Owner** or occupier of **Your Buildings**.

2. If **You** have insured **Common Property Contents, We** will pay **Damages You** incur as **Owner** of the **Common Property Contents**.

3. If **You** have insured **Common Property**, **We** will pay **Damages You** incur as occupier of the **Common Property**.

4. If **You** have a car park, **We** will pay the amount **You** have to pay for **Injury** or **Damage** to property while in the car park at **Your Situation**.

HOW MUCH WILL WE PAY

The most **We** will pay is the **Limit of Indemnity** stated in the **Schedule** and this amount will be the maximum amount of **Our** liability inrespect of all claims for **Damages** and **Legal Costs** arising out of one **Occurrence**.

If the **Limit of Indemnity** is set for the **Annual Aggregate**, then **Our** responsibility for all claims for **Damages** and **Legal Costs** in any single **Annual Period** is limited to the specified amount shown in **Your Schedule**.

If a single **Event** leads to a claim or a series of claims covered by multiple **Sections** or Extensions of this **Policy**, each **Section** or Extension will be treated separately. **Our** liability will be capped at the highest **Limit of Indemnity** available under any one of the **Sections** or Extensions covering the claim or series of claims.

If this **Policy** spans multiple **Annual Periods** due to renewal or replacement and if a single **Event** or source triggers coverage across these periods, **Our** liability is limited to the maximum **Limit of Indemnity** for any one **Annual Period**.

All limits stated are payable after payment of the **Excess** payable by **You** as is applicable to the relevant claim.
If **We** allege that by reason of this **Section** that any claim for **Damages,** arising from **Injury** and / or **Damage** and **Legal Costs** is not covered by this **Policy**, then the burden of proving the contrary will rest upon **You**.

TERRITORIAL LIMITS

The cover applies to occurrences in connection with **Your** business anywhere in the Republic of South Africa.

It being understood that any claim brought against **You** will be subject to the General Condition headed Applicable Law and Legal Jurisdiction).

CROSS LIABILITIES

Where **You** comprise of more than one entity as named in the **Schedule**, **We** will indemnify each entity as a separate legal entity and **We** will indemnify each separately and not jointly. Any liability arising between **Yourselves** will be treated as though separate policies had been issued to each, provided that **Our Aggregate** liability will not exceed the **Limit of Indemnity** stated in the **Schedule**.

CLAUSES AND EXTENSIONS

1. ADDITIONS AND ALTERATIONS

If **You** have complied with all the **Terms and Conditions** of the Extension headed Additions and Alterations under **Section** 1 – **Buildings and Common Property Contents** then **We** agree that **We** will cover **Damages** consequent upon **Damage** caused by alterations repairs, renovations or additions to **Your Building** provided that **Our Aggregate** liability will not exceed the **Limit of Indemnity** stated in the **Schedule**.

2. SECURITY FIRMS

If an employee of a security firm employed by **You** under a contract:

2.1. causes **Bodily Injury** or **Damage**, then **We** agree that:

2.1.1. if stated in the terms of the said contract that **You** may not claim against the said security firm, that:

2.1.1.1. **We** will not exercise **Our** rights of recourse against the security firm, furtherthat,

2.1.1.2. **We** will not raise as a defence to any valid claim submitted that **Our** rights have been prejudiced by the terms of any contract entered into between **You** and any security provider relating to the protection of the **Insured Property**.

Provided that if at the time of an **Occurrence** if the security firm is insured for the same **Event** that **We** will not be liable to make any payment except for any amount that exceeds the amount payable by such other policy.
Our Aggregate liability will not exceed the **Limit of Indemnity** stated in the **Schedule**.

3. WRONGFUL ARREST

We will indemnify **You** in respect of claims arising out of **Wrongful Arrest** committed or alleged (other than by **You**) to have been committed by **You**.

Provided always that:

3.1. no indemnity will be granted in respect of claims made against **You** by any person or persons other than those being or having been or alleged to have been arrested or under arrest, or their personal representatives.

3.2. **Our** total liability under this Extension will not exceed the **Limit of Indemnity** in respect of all claims made against **You** during the **Annual Period**.

SPECIFIC EXCLUSIONS

We will not provide any cover to **You** for:

1. any claim made or **Event** known to **You** before inception of this **Policy**,

2. any claim made or **Event** known to **You** before the **Retroactive Date** stated in **Your Schedule**,

3. any liability resulting from or arising out of any deliberate, conscious, or intentional act or failure by **You**, **Your Employees** or **Your** authorised and appointed representatives, inclusive of the deliberate, conscious, or intentional disregard of the need to take reasonable precautions to prevent any **Event** which may give rise to a claim,

4. any actual or alleged liability whatsoever in respect of personal **Bodily Injury**, loss or **Damage** directly or indirectly arising out of, resulting from, in consequence of or contributed by personal training as well as any and all health and fitness centre related fitness / exercise activities,

5. any actual or alleged negligent act, error or omission by **You** or on **Your** behalf or by or on behalf of those for whom **You** are legally responsible, in the conduct, performance or execution of any professional activity or duty.

6. any infringement of copyright, trademark, or patent infringement claims,

7. any liability or costs associated with or in any way connected with advertising liability.

8. any liability or costs associated with or in any way connected to **Your** car park being operated by someone else as a commercial car park,

9. any penalties and fines or awards of aggravated, exemplary or punitive **Damages** made against **You**,

10. any liability consequent upon **Bodily Injury** or **Damage** caused by or through or in connection with **Your** use of motor vehicles, motorcycles mini-bikes, aircraft, drones or watercraft. This exclusion does not include golf carts, ride-on mowers or motorised maintenance equipment that does not require registration by any legislation,

11. any liability consequent upon **Bodily Injury** or **Damage** or in any way caused by or through or in connection with **You** carrying out servicing, repairs or maintenance on any vehicle, golf cart, ride-on mowers or motorised maintenance equipment, aircraft, drones or watercraft,

12. any liability consequent upon **Bodily Injury** to any of **Your Employees** arising from and in the course of their employment with **You**,

13. any liability consequent upon **Damage** to property that belongs to any **Employee** where such **Damage** arises from and in the course of their employment with **You**,

14. any liability consequent upon **Bodily Injury** or **Damage** or in any way caused by or through or in connection with **You** carrying out any alterations, servicing, repairs or additions to lifts, escalators or hoists. This is inclusive of anything that is part of a lift, escalator lift or hoist. This does not apply to any alterations servicing, repairing, or additions to lifts, escalators or hoists carried out by a person or company **You** employ or contract and that person or company is qualified to make alterations, servicing, repairing or additions to lifts escalators or hoists,

15. any liability consequent upon **Bodily Injury** or **Damage** caused by or through or in connection with vibration or interference with the support of any land, **Your Buildings** or other property,

16. any liability consequent upon **Bodily Injury** or **Damage** caused by or through or in connection with any business, trade, profession or occupation carried out by **You**. This does not include the hiring out of **Your** sporting or recreational facilities or the managing of **Your Buildings** and its surrounds,

17. any liability consequent upon **Bodily Injury** or **Damage** caused by or through or in connection with the erection or demolition of **Your Building**,

18. any liability assumed under an agreement or contract **You** enter into. If **You** would have been liable without the entering into such agreement or contract, **We** will pay for those **Damages** incurred by **You**,

19. any act of **Defamation**, libel or slander,

20. any **Pollution** / contamination or **Pollution Costs**, provided always that this will not apply to the discharge dispersal release or escape of **Pollutants** caused by a single incident, is instantaneous, is clearly identifiable or is confined to one specific location,

21. the use, removal of or exposure to any asbestos product or products containing asbestos,

22. any goods designed, manufactured, installed, treated, assembled, altered, processed, sold or supplied by **You** or by anyone on **Your** behalf whether for reward or not.

23. any liability or costs associated with or in any way connected with **Your** participation, co-ordination, or supply of services at any event whether public or private and / or exhibitions, concerts, festivals, fairs, conferences, trade shows however, not limited to these examples,

24. any liability in connection with, arising from or in connection with a claim for which indemnity should be provided by a Cyber Insurance Policy or which should have been insured by way of a Cyber Insurance Policy,

24.1. any liability resulting from the processing of personal information and any exposure which should be insured under a Cyber liability policy.

25. any liability or costs associated with or in any way connected with compensation provided by any statutory enactment, regardless of whether the applicable legislative fund is incapable of providing such compensation.

26. any cause resulting from or in any way connected to any other General Exclusion in terms of the **Policy**.

27. any **Damages** caused by or linked to exposure to electromagnetic fields or radiation, inclusive of but not limited to chronic low-level exposure (such as but not limited to Wi-Fi, power lines and similar) and acute or industrial exposure (such as strong radiofrequency sources.),

28. any **Damages** in respect of judgments, awards or settlements made in Australia, the United States of America and / or Canada and / or their respective possessions or protectorates (or to any order made anywhere in the world to enforce such judgment, award, or settlement either in whole or in part).

If **We** allege that loss or **Damage** is not covered by this **Policy**, the burden of proving the contrary will rest with **You** and **We** will be entitled to reject **Your** claim.

SECTION 5: EMPLOYERS LIABILITY (CLAIMS MADE BASIS: EACH AND EVERY LIMIT)

Definitions (in addition to the definitions described in *Part 2*)

1. Bodily Injury: means **Accidental** death, physical injury or illness to any person.

2. Claims Made Basis: means that this **Section** of the **Policy** provides indemnity for claims that are made against **You** during of the **Annual Period** but only in relation to **Events** that occurred on or after the **Retroactive Date** stated on the **Schedule**.

3. Damages: means monetary compensation (which term will be inclusive of claimant's legal costs and expenses) that is awarded against **You** by a court of law, or for which **You** will become legally liable within the ambit of the civil or criminal justice system.

4. Employee: means a person who has entered into and works under a contract of service, apprenticeship or learnership with **You**.

The term **Employee**, does not include –

4.1. a person in the employ of the State inclusive of local, provincial and national state authorities, performing:

1.1. military service or undergoing training referred to in the Defence Act, 1957 (Act No. 44 of 1957), and who is not a member of the Permanent Force of the South African Defence Force, a member of the Permanent Force of the South African Defence Force while on "service in defence of the Republic" as defined in Section 1 of the Defence Act, 1957,

1.2. a member of the South African Police Force while employed in terms of Section 7 of the Police Act, 1958 (Act No. 7 of 1958), on "service in defence of the Republic" as defined in Section 1 of the Defence Act, 1957,

1.3. a person who contracts for the carrying out of work and such person engages other persons to perform such work,

1.4. a domestic **Employee** employed as such in a private household.

5. Employment Practices: means any wrongful or unfair dismissal, denial of natural justice, defamation, unfair discipline or evaluation of employment performance, breach of employment contract, misleading representation or advertising, sexual harassment or discrimination in respect of employment or prospective employment by **You**.

6. Legal Costs: means costs, charges and expenses which **We** incurred or which **You** incurred with **Our** prior consent:

6.1. in the defence or settlement of any claim under this **Section** of the **Policy** or any legal proceeding, action or prosecution brought against **You** in respect of **Injury** or **Damage** or other liability as insured in terms of this **Section** of the **Policy**.

6.2. in the representation at any inquest or accident inquiry in respect of Injury which may form the subject of indemnity under this **Section** of the **Policy**.

7. Occurrence: means an **Event** or series of **Events** arising out of one originating cause or source.

8. Retroactive Date: means the starting point from which cover is provided for in terms of this **Section** of the **Policy** and where claims are made against **You** during the **Annual Period**.

COVER PROVIDED

We will indemnify **You** for **Damages** which **You** become legally liable to pay consequent upon **Bodily Injury** of any **Employee** which occurred in the course of and in connection with **Your** employment of such **Employee**, 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 **Annual Period.**

HOW MUCH WILL WE PAY

The most **We** will pay is the **Limit of Indemnity** stated in the **Schedule** and this amount will be the maximum amount of **Our** liability inrespect of all claims for **Damages** and **Legal Costs** arising out of one **Occurrence**.

CLAUSES AND EXTENSIONS

LEGAL EXPENSES FOR BREACH OF STATUTE OR EMPLOYMENT PRACTICES

Subject to **Our** prior agreement **We** will pay **Legal Costs** and disbursements for which any **Trustee** or **Employee** of the **Body Corporate** may become legally liable to pay or incurs in defence or appeal in connection with proceedings that are first commenced against a **Trustee** or **Employee** during the **Annual Period** and reported and notified to **Us** in terms of the General Condition headed Claims.

1. related to any alleged breach of any Occupational Health and Safety Legislation,

2. arising out of a dispute with an **Employee**, former **Employee** or prospective **Employee** of the **Body Corporate** concerning **Employment Practices**.

SPECIFIC EXCLUSIONS

We will not pay for:

1. any claim arising from an **Event** known to **You** which is not reported to **Us** in terms of the General Condition headed Claims or arising prior to inception of this **Section** or **Policy**,

2. any liability arising out of **Bodily Injury** caused or contributed to by prolonged exposure to substances, factors or circumstances peculiar to any particular employment or occupation,

3. any **Damages** for liability assumed in terms of the Compensation for Occupational Injuries and Diseases Act No 130 of 1993 (COID Act) as amended from time to time, any unemployment compensation or disability laws (also refer to General Condition headed Other Insurances) or other similar legislation in other countries.

4. any liability or costs associated with or in any way connected to compensation or circumstances compulsorily insurable by legislation or that which is provided by any statutory enactment, regardless of whether the applicable legislative fund is incapable of providing such compensation.

5. any **Damages** for industrial and / or mining related disease or **Bodily Injury** to any **Employee** while offshore,

6. any claim for **Employees** acting contrary to any law applicable to their employment or to any instruction given by **You** relating to the safe execution of the duties / activities to which they are employed and which relate directly to those duties / activities,

7. any claim arising from the wilful misconduct of an **Employee** unless that wilful misconduct causes serious disablement or death prejudicing a dependent who is completely financially dependent,

8. for any **Employee** who refuses or wilfully neglects medical treatment.

9. any liability resulting from the processing of **Employee** personal information and any **Event** which should be insured under a Cyber liability policy.

10. where the **Body Corporate** has not obtained **Our** prior written consent to the incurring of **Legal Costs** and disbursements,

11. where the **Body Corporate** was aware or ought reasonably to have been aware of facts, matters or circumstances potentially giving rise to a claim prior to the inception of this **Policy**,

12. where the **Body Corporate** has not complied with or is not in the process of complying with legislative requirements,

13. in which relief is sought by way of penalty, fine or aggravated, exemplary or punitive **Damages**,

14. in which defamation, libel or slander is alleged (other than in relation to **Employment Practices**),

15. in which fraud or dishonesty is alleged,

16. in which a conflict of interest is alleged,

17. in which a failure to obtain insurance or appropriate insurance is alleged,

18. for any **Employee** claiming compensation or an award of **Damages**,

19. relating to any matter where insurance cover is available under another **Section** of this **Policy**, regardless of whether such cover was not taken out.

20. any cause resulting from or in any way connected to any other General Exclusion in terms of the **Policy**.

21. any **Damages** caused by or linked to exposure to electromagnetic fields or radiation, inclusive of but not limited to chronic low-level exposure (such as but not limited to Wi-Fi, power lines and similar) and acute or industrial exposure (such as strong radiofrequency sources.)

If **We** allege that loss or **Damage** is not covered by this **Policy**, the burden of proving the contrary will rest with **You** and **We** will be entitled to reject **Your** claim.

SECTION 6: DIRECTORS AND OFFICERS LIABILITY (CLAIMS MADE BASIS: IN THE ANNUAL AGGREGATE)

Definitions (in addition to the definitions described in *Part 2*)

1. Company / The Company: means any company comprising **The Company** named in the **Schedule** and any **Subsidiary** of the named **Company**.

2. Directors: the term is inclusive of:

2.1. board members of **The Company** (inclusive of Executive / Non-Executive Directors), inclusive of former **Directors**, alternate **Directors** and **The Company** secretary,

2.2. a prescribed officer as defined in **The Act** or any person who is employed by **The Company** in an executive, managerial or supervisory position. This term specifically excludes any **Managing Agent** or professionally appointed or contracted person, firm or company.

2.3. a person who is a member of a committee of the board of **The Company**, inclusive of the audit committee,

2.4. employees of **The Company** to the extent that such employees are acting in a managerial or supervisory capacity within **The Company** or are construed so to be within the meaning of any applicable law or regulation governing such matters.

3. Damages: means the amount awarded by the courts against the **Directors** and is inclusive of the claimant's costs.

4. Employment Related Wrongful Act: means any actual or alleged breach of the Employment Equity Act (No 55 of 1998) as amended or similar legislation.

5. Environmental Impairment / Hazard: means actual, alleged, or threatened:

5.1. ingestion, inhalation, absorption, release, escape, discharge, dispersal, seepage of, contact with, or exposure to, **Pollutants,**

5.2. subsequent spread, migration, or movement of **Pollutants** following (5.1.) above,

5.3. 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.

5.4. the breach of any legislation relating to the aforegoing.

6. In the Annual Aggregate / Aggregate Limit (AGG): means a pre-determined Rand amount up to which the **Policy** will cover **You** each **Annual Period,** regardless of the number of claims submitted or **Legal Costs** associated with these claims.

7. Legally Liable: means **You** are accountable or liable under the law for **Your** actions, omissions, or obligations. **You** are legally obligated to fulfil and maintain duties, adhere to specific standards, or bear the consequences for any breaches or wrongdoing according to the legal framework in place whether from contractual agreements, statutory laws, regulations, or common law principles (however, not limited to these examples.)

8. North America: means the United States of America and / or Canada and / or their respective possessions or protectorates; and any territory operating under the laws of or subject to the jurisdiction of courts of the aforementioned territories.

9. Occurrence of a Wrongful Act: means an instance of a **Wrongful Act** or continuous or repeated and related **Wrongful Acts** done or wrongly attempted by **You** which unexpectedly or unintentionally, result in liability as insured by this **Policy**.

When the **Occurrence of Wrongful Act** cannot be fixed or attributed to a particular date, for the purposes of this **Policy**, the **Wrongful Act** will be deemed to have occurred when **You** first had any knowledge thereof.

10. Retroactive Date: means the starting point from which cover is provided for in terms of this **Section** of the **Policy** and where claims are made against **You** during the **Annual Period**.

11. Pollutants: means any solid, liquid, gaseous, or thermal irritants, which are inclusive of , smell, odours, vapour, humidity, fumes; smoke, soot or other airborne particulates, acids, alkalis, chemicals and waste, or other substances or contaminants, bacteria, moulds or other fungi (inclusive of but not limited to mildew or mycotoxins or spores or any other substance or product produced or released by moulds or fungi); electromagnetic waves; noise, vibrations; or other emission of effluent or noxious substances into or upon the soil, the atmosphere or any watercourse or body of water which allegedly adversely changes or affects the natural state or condition of the soil, the atmosphere or any watercourse or body of water; the depositing or storing of effluent, noxious substances nuclear material or nuclear waste, 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.

12. Prosecution Costs: means the legal and other professional fees, costs and expenses incurred by **You** with **Our** prior written consent (which will not be unreasonably withheld) to bring legal proceedings to obtain and discharge or revocation of:

12.1. an order disqualifying **You** from holding office as **The Company Director** in terms of Section 69 of **The Act** or similar provision in any other jurisdiction,

12.2. an interim or interlocutory order,

12.3. confiscating, forfeiture, controlling, suspending or freezing rights of ownership of **Your** real property or personal property or personal assets, or

12.4. a charge over **Your** real property or personal assets, or

12.5. an order of court imposing a restriction of **Your** liberty, or

12.6. the deportation of **Yourself** following revocation of otherwise proper, current and valid immigration status for any reason other than **Your** conviction of a crime.

13. Reckless Trading: means the carrying on of **Your** business in a reckless manner, with gross negligence, with the intent to defraud any person, for any fraudulent purpose or trading under insolvent circumstances as described in **The Act** or similar legislation.

14. Securities Claim: means any claim which in whole or in part is:

14.1. brought by one or more **Securities** holders of **The Company**, in their capacity as such, or

14.2. based upon, arising out of or attributable to the purchase or sale of, or offer to purchase or sell, any equity or debt **Securities** issued by **The Company**, whether such purchase, sale or offer involves a transaction with **The Company** or occurs in the open market (inclusive of without limitation any such Claim brought by a governmental regulatory body or any other claimant).

15. Securities: means any shares in the capital of a company and is inclusive of stock and debentures convertible into shares and any rights or interests in a company or in respect of any such shares, stock or debentures.

16. Subsidiary: means any company which **The Company** or a **Subsidiary** controls through: -

16.1. holding a majority of the voting rights, or

16.2. the right to appoint or remove a majority of its board of **Directors**; or

16.3. controlling alone, or pursuant to a written agreement with other shareholders or members, a majority of the voting rights therein.

In respect of any **Subsidiary**, coverage for any **Wrongful Act** committed after the effective date of sale or dissolution will cease as of the effective date of sale or dissolution of that **Subsidiary**.

17. The Act: means the Companies Act (No 71 of 2008) as amended or similar legislation.

18. Wrongful Act: means actual or alleged wrongful breach of duty, error, negligence, act, omission, misstatement, or misleading statement, by **You** in **Your** capacity as **Director**, inclusive of an **Employment Related Wrongful Act.**

19. You / Your / Yours / Yourself / Insured: either in the singular or plural means natural persons acting in the capacity as **Director** of **The Company.**

COVER PROVIDED

1. **We** will indemnify **You** in accordance with the law and procedures applicable anywhere in the world, but not in respect of any judgment, award or settlement obtained either in whole or in part within **North America** to enforce such judgement, award or settlement whether by way of reciprocal agreements or conventions or otherwise, to:

1.1. claims first made against **You** jointly and / or severally during the **Annual Period** forwhich **You** will become **Legally Liable** to pay compensation,

1.2. claims first made against **You** during the **Annual Period** for which **You** are **Legally Liable**,

Where **We** have indemnified **You**:

1.3. **Prosecution Costs** incurred by **You** during **Annual Period** with **Our** written consent in the defence of any claim which is the subject of indemnity by (1.1.) and (1.2.) above following upon an **Occurrence of a Wrongful Act** / mismanagement.

1.4. **We** will where permitted by law advance costs, charges and expenses incurred by **You** during the **Annual Period** with **Our** written consent for defence of allegations of any criminal act, wilful misconduct, wilful breach of trust, **Reckless Trading** or breach of authority where the proceedings are abandoned or exculpate the **Director**. All costs, charges and expenses advanced in terms of Section 78(4)a of **The Act** or similar provision in any other jurisdiction, will be repaid to **Us** should the defence be unsuccessful.

2. **LIMIT OF INDEMNITY**

Our total liability granted under this **Policy** for will not exceed the **Limit of Indemnity** stated in the **Schedule** in the aggregate during the **Annual Period**.

Should any **Limit of Indemnity** be altered during the **Period of Insurance**, the previous **Limit of Indemnity** will apply to all claims made against **You** or circumstances notified to **Us** prior to the date of such **Variation**.

Unless otherwise stated in the **Schedule**, the **Retroactive Date** for a new **Limit of Indemnity** after **Variation** of the **Limit of Indemnity**, will be the effective date of such **Variation**.

Renewal of this **Policy** from year to year will not have the effect of increasing the **Limit of Indemnity** applicable to each year or of accumulating the **Limit of Indemnity** from year to year.

SPECIFIC CONDITIONS APPLICABLE TO THIS SECTION

1. **We** will not be liable for claims made, or incidences reported against **You** and notified to **Us** of any other policy attaching in a period prior to the **Annual Period** stated in the **Schedule** for the **Occurrence** of a **Wrongful Act** known to **You** at the inception of this **Policy** which could reasonably have been foreseen to give rise to a claim against **You** nor for **Occurrences of Wrongful Acts** prior to the applicable **Retroactive Date** stated in the **Schedule**.

Provided that nothing contained within this Condition will be interpreted as releasing **You** from **Your** obligation to reveal as a **Material Fact** all details of claims made or outstanding or events likely to give rise to a claim.

2. **We** may at any time pay **You** in connection with any claim or series of claims under this **Policy** to which a **Limit of Indemnity** is applicable, the amount of such Limit (after deduction of any sum or sums already paid) or any lesser amount for which such claim or claims can be settled. Upon such payment being made **We** will relinquish the control and conduct of such claim or claims and be under no further liability in connection therewith.

3. This **Policy** will not be drawn into contribution with any other insurance indemnity effected by **You.**

4. In the event of a takeover or merger of **The Company** or the sale of its assets by or with any other organisation, the indemnity provided hereunder is amended to apply only to claims immediately notified by reason of **Wrongful Acts** committed by **You** prior to the date of such takeover or merger or sale of its assets, and **We** reserve the right thereafter to discontinue cover or renegotiate terms should the need arise.

5. At **Renewal** of this **Policy You** must provide **Us** with a duly signed and completed proposal form by **You** and / or **Your** authorised representatives which is accompanied by **Your** audited financial statements,

6. It is a condition precedent to **Your** right to indemnity under this **Policy** that the following criteria is met from inception and throughout the currency of the **Policy**:

6.1. the annual turnover of **The Company** must be less than R50 000 000 and the Total Assets must not exceed R100 000 000,

6.2. **The Company** must be operating at a profit and **Your** Assets must exceed **Your** liabilities at all times,

6.3. A positive equity status is to be upheld.

You and / or **Your** authorised representatives will notify **Us** immediately upon becoming aware of any changes to the abovementioned criteria, failing which **We** will be entitled to avoid the **Policy** from the date from which the criteria is no longer met.

SPECIFIC EXCLUSIONS

We will not indemnify **You** for any claim based upon, arising out of, directly or indirectly resulting from or in consequence of, or in any way involving:

1. any criminal act other than costs as provided under (1.4.) stipulated under the heading Cover Provided,

2. **You** gaining any personal profit, reward or advantage or receiving any remuneration to which **You** were not legally entitled,

3. any allegation that the **Directors** improperly benefited from **Securities** transactions as a result of information that was not available to other sellers or purchasers of such **Securities**.

4. any nature whatsoever by which it is sought to affect the price of, or marketing, any shares and / or debentures of **The Company**, or of any foodstuff or raw material or commodity or currency, or of any negotiable instrument, other than dealings carried out in accordance with all laws, rules and regulations applicable to such dealings.

5. any act which is deemed to be uninsurable under any law applicable to this **Policy**.

6. **You** in **Your** capacity as a **Trustee**, fiduciary under law or administrator of any pension or welfare plan, profit sharing, share option, share incentive scheme or trust.

7. any fine or penalty or loss of licence by **You** or by **The Company** or for performance warranties, liquidated or non-compensatory **Damages** inclusive of punitive or exemplary damages or the multiplied portion of multiplied **Damages** or any amount which is deemed uninsurable or contrary to public policy.

8. instigated or made by any of **Your** members holding more than 25% of **The Company's** shares, stock or debentures.

9. any failure to effect or maintain any insurance relating to **The Company.**

10. any third party based upon or alleging or originating from breach of any professional duty owed to such third party, this exclusion will not apply to allegations of failure to supervise.

11. payments, commissions, gratuities, benefits or any other favour to or for the benefit of any:

11.1. political group or party,

11.2. government or armed services official,

11.3. director, officer, employee, or any person having a proprietary interest in any customer of **The Company**,

12. any claim made and instigated by any **Director** against any other **Director**. However, this exclusion will not apply to:

12.1. any claim brought or maintained by a **Director** for contribution or indemnity, if the claim directly results from another claim otherwise covered under this **Policy**,

12.2. any shareholder action brought or maintained on behalf of **The Company** without the solicitation, assistance or participation of any **Director** or **The Company**,

12.3. any claim brought or maintained by a curator, liquidator, receiver or administrative receiver either directly or derivatively on behalf of **The Company** without the solicitation, assistance or participation of any **Director** or **The Company**,

12.4. any claim brought or maintained by any former **Director** of **The Company,**

12.5. any **Employment Related Wrongful Act**

12.6. **Prosecution Costs** only, any action instituted by any other **Director**.

13. actual or alleged bodily injury, sickness, disease, mental anguish, emotional distress or any actual or alleged invasion of privacy or death of any person or any actual or alleged damage to or destruction of any tangible property.

Provided that the above will not apply to emotional distress and / or injury to feelings resulting from an **Employment Related Wrongful Act**.

14. any listing of **The Company's Securities** / stock on a **North American Securities** exchange and / or participation in an American Depository Receipts (ADR's) programme, and /or any actual or intended initial private placement or initial public offering of any **Securities** of **The Company**.

15. any acquisition or new investment failing to perform as represented or as expected to perform in the absence of a **Wrongful Act**,

16. any **Environmental Impairment** / hazard,

17. any insolvency, business rescue and liquidation,

18. any liability in connection with, arising from or in connection with a claim for which indemnity should be provided by a Cyber Insurance Policy or which should have been insured by way of a Cyber Insurance Policy,

18.1. any liability resulting from the processing of personal information and any exposure which should be insured under a Cyber liability policy.

19. any claim, cost or expense based upon, arising out of, directly or indirectly resulting from or in consequence of **the Company** or any of its **Directors** involvement, participation, allegation, performance or act, made and / or instigated in any type of fraudulent and / or criminal investing scam inclusive of but not limited to any Ponzi, Pyramid or any other Madoff Scheme type investment howsoever arising,

20. any cause resulting from or in any way connected to any other General Exclusion in terms of the **Policy**.

If **We** allege that loss or **Damage** is not covered by this **Policy**, the burden of proving the contrary will rest with **You** and **We** will be entitled to reject **Your** claim.

SECTION 7: MACHINERY BREAKDOWN

Definitions (in addition to the definitions described in *Part 2*)

1.	**Breakdown:**	means sudden and accidental **Damage** to any machine or part thereof resulting in the actual breaking, seizing, deformation or burning out of any part of a machine causing stoppage of the functions thereof and necessitating repair or replacement before it can resume its normal function.
2.	**Machine:**	means air-conditioning plant, swimming pool machinery, saunas, spa baths, Jacuzzis, borehole pumps, automatic gates, garage doors, boilers, heat pumps, electrical switchgear, escalators, hoists, lifts and transformers forming part of the **Buildings**.

COVER PROVIDED

We will pay up to the amount stated in the **Schedule** for any physical loss or **Damage** to any **Machine** located at the **Situation** resulting from its breakdown.

SPECIFIC CONDITION

1. COMPREHENSIVE MAINTENANCE AGREEMENT

1.1. **You** agree that a maintenance contract is in force with a reputable company in respect of each item described in the **Schedule**,

1.2. Maintenance of all items described in the **Schedule** will be inclusive of but not limited to preventative maintenance of items, repair or replacing of components or any rectification of **Damage** or faults arising from normal operation as well as from ageing,

1.3. Regular safety checks are required to be performed in accordance with manufacturer's guidelines,

1.4. **We** will not indemnify **You** for damage arising from failure to maintain or for the costs of maintenance (as described above) or any related work.

2. AVERAGE

If the **Sum Insured** on any item is, at the commencement of any accidental loss or **Damage**, collectively of greater value than the **Sum Insured** thereon, then **You** will be liable for the difference and will bear a ratable share of the loss accordingly. Every item, if more than one, will be separately subject to this condition.

3. BASIS OF SETTLEMENT

3.1. Where the **Damaged Machine** can be repaired, **We** will pay to repair the item to its condition immediately before the **Damage**. If **You** have already repaired the machine, **We** will pay the costs incurred by **You**.

3.2. Where a **Machine** is totally destroyed, **We** will either pay the value of the **Machine** immediately prior to the **Damage** or supply the same or similar **Machine** with the same capacity.

SPECIFIC EXCLUSIONS

We will not pay for:

1. any **Damage**, defects or defective insulation due to the wearing away or wearing out of any part of a **Machine** caused by or naturally resulting from ordinary use or working,

2. any gradually developing flaws, defects, defective insulation and cracks or partial fractures in any part which do not cause immediate stoppage and necessitate repair or replacement although at some future time repair or renewal of the parts affected may be necessary,

3. any replacement or repair of fuses, collecting brushes, overload protection devices or electrical contacts at which sparking or arcing occurs in ordinary working,

4. the tightening up or refitting or renewal of keys,

5. any erosion or corrosion of valves and seatings,

6. the replacement of transformer or switch oil, unless caused by a breakdown,

7. any explosion (which does not include the bursting nor disruption of turbine compressor engine or hydraulic cylinders, flywheels or other parts subject to centrifugal force transformers or oil immersed switchgear),

8. the escape of water from apparatus containing water (other than apparatus or appurtenances forming part of the **Insured Property** or directly connected therewith),

9. any **Damage** to or replacement or repair of foundations, brickwork and masonry and/ or steel structures forming part of any conveyor system,

10. any **Damage** to or replacement or repair of electric heating elements, fuses, glass bulbs, tubes, valves, electronic components or circuitry,

11. any **Damage** to or replacement or repair of cutting tools, drills, saw blades, abrasive wheels or discs, dies, moulds, flexible piping, flexible drives or expendable parts,

12. any **Damage** resulting from imposition of abnormal conditions directly or indirectly relating to testing, intentional overloading or experiments,

13. any loss or **Damage** caused by operation of a **Machine** when in a materially defective condition and/ or loss or **Damage** and/ or liability caused by **Your** wilful act or **Your** wilful neglect,

14. consequential loss of any kind whatsoever.

15. any loss or **Damage** due to:

15.1. fire,

15.2. direct lightning,

15.3. explosions inclusive of chemical explosion,

15.4. extinguishing of a fire or subsequent demolition,

15.5. aircraft or other aerial devices or articles dropped therefrom,

15.6. theft or attempts thereat,

15.7. collapse of **Buildings**,

15.8. wind, storm, water, flood, inundation, earthquake, subsidence, landslide, avalanche, hurricane, cyclone, volcanic eruption or similar natural catastrophes,

15.9. sonic shock waves,

16. any loss or damage for which a supplier, maintenance vendor, contractor or repairer is responsible either by law or under contract or otherwise,

17. any cause resulting from or in any way connected to any other General Exclusion in terms of the **Policy**.

If **We** allege that loss or **Damage** is not covered by this **Policy**, the burden of proving the contrary will rest with **You** and **We** will be entitled to reject **Your** claim.

SASRIA

IMPORTANT NOTE: The terms and conditions forming part of the SASRIA Policy Wordings must be considered separately and read independently from **Our Policy**. The inclusion of the SASRIA Policy Wording is solely for convenience and reference purposes. No terms or expressions from **Our Policy** must be used to interpret SASRIA cover, and vice versa.

SASRIA cover will only apply where premium is received for the SASRIA cover as is applicable. If any dispute should arise between what is contained in this **Policy** versus any SASRIA Policy Wording that is available on the SASRIA website, the SASRIA policy on the website will prevail. | www.sasria.co.za

MATERIAL DAMAGE

Sasria provides short-term insurance cover against special risks that the broader insurance industry does not cover. Examples of these special risks are civil commotion, strike, riot, public disorder and terrorism.

This document is the legal and official version of your Sasria policy wording. The laws of South Africa govern this policy.

Your contract with Sasria comprises:

- the policy wording (this document);
- the Sasria policy schedule;
- any information that you, or someone acting on your behalf, supply to us; and
- any amendment to the policy.

Please read the wording carefully to make sure that you understand what your policy covers. You must always read the wording together with the Sasria schedule.

We look forward to being of service to you.

HOW TO REACH US

011 214 0800 or 086 172 7742 | contactus@sasria.co.za | www.sasria.co.za

GENERAL TERMS AND CONDITIONS

HOW YOU SHOULD READ THIS DOCUMENT

"We", **"our"** or **"us"** in the wording refers to Sasria SOC Ltd. **"You"** or **"your"** in the wording refers to the policyholder.

Words in the singular include the plural. Words in the masculine gender (he) include the feminine gender (she).

YOUR SASRIA POLICY AND THE UNDERLYING POLICY

You must have an underlying policy in force

To be insured against the special risks mentioned above, you must have an underlying policy contract in force that includes Sasria cover at the time of the event that gives rise to a loss. If you choose to only take out Sasria cover, there must be a pro forma underlying policy as a formality. The pro forma policy can be issued by any underlying insurer. The underlying insurer must give you Sasria cover regardless of your risk profile.

Sasria policies attach to the underlying policy or they are stand-alone:

- **Attached policies** incorporate the terms, conditions and warranties of the underlying policy with some exceptions (see the next subsection).

- **Stand-alone policies** have their own terms and conditions that are listed in the relevant policy wording.

Policies that attach to the underlying policy	Stand-alone policies
Material Damage (Fire) Contract Works	Motor Business Interruption (Standing Charges, Working Expenses Loss of net profit, Loss of gross profit, Project Delay)

Policies that attach to the underlying policy

For these policies, the terms, conditions, exclusions and warranties of the underlying policy also apply to the

Sasria policy **except for those listed below**:

Your Sasria policy covers civil commotion, riot, strike, lockout, public disorder, rebellion and revolution and terrorism.

Your Sasria policy does not cover war and war-related activities

In each policy, see **What we cover** and **What we don't cover** for the details.

Extensions

Sasria special risk cover only applies to the basic cover of the underlying policy. It does not apply to any additional perils and extensions included in the underlying policy, whether optional or not. Sasria covers its own list of extensions at an additional premium. You will find the list of extensions under the Fire Extensions. Contact us if you want Sasria cover for any of these extensions.

Excess

For Material Damage (Fire), there is no excess payable if you claim under your Sasria policy.

For Contract Works, the following excess is payable:

For loss or damage to contract works and materials, the excess or first amount payable is calculated as 0,1% of the value of the specific contract for which a claim is made.

The following minimum and maximum amounts apply:

Minimum excess (first amount payable)

- R250 (Domestic risks)
- R2 500 (All other risks)

Maximum excess (first amount payable)

- R25 000

For loss or damage to a construction plant, the excess is R1 000 for each loss or damage arising from any one insured event.

Premium

Any adjustment of the premium clause or condition in the underlying policy will not automatically apply to your Sasria policy.

Period of insurance

The period of insurance of your Sasria policy is the same as the period of insurance of the underlying policy.

Sasria and the underlying insurer must sign your schedule

For your Sasria contract to be valid, the Sasria schedule must bear the signatures of a director of Sasria and the underlying insurer.

CANCELLATION

Only you have the option to cancel Sasria cover; Sasria will never cancel your cover.

If an underlying policy is cancelled, it does not automatically result in cancellation of your Sasria cover. The underlying insurer must give you the option to keep your Sasria cover except if the cancellation was due to non-payment. If you choose to keep your Sasria cover, the underlying insurer will issue a pro forma policy to which your Sasria policy will attach.

OUR RIGHTS

To review rates and premiums

We reserve the right to review the terms and conditions of a policy, including rates and premiums, in line with all applicable laws (e.g. the Policyholder Protection Rules). Where necessary, some or all classes of business rates and premiums may be reviewed with reference to trends, expectations and assumptions, including but not limited to the following:

a) Documented trend of poor performance on class or classes of business over the last three (3- to five (5) years;

b) Reasonably balancing the interests of Sasria SOC Ltd and its policyholders' expectations; and

c) The extent to which the assumptions on which the premium was based have been met.

In accordance with the law, we will duly notify the policyholder in writing, through our distribution channels, of the details of the pending review; the effective date of the review; the reasons for the review; the implication of the review; the policyholder's rights and obligations regarding the review, including any cooling-off rights offered and procedures applicable for the exercise thereof; and any other relevant details.

Each policyholder will be given a reasonable notice period to make an informed decision as to whether the policy continues to meet the policyholder's requirements as a result of the reviewed terms and conditions.

To take possession of damaged property

When you claim under this policy, you agree that we, and any person authorised by us, have the right to enter the damaged property, or take possession of it, and deal with it in any reasonable manner. This right does not imply that we accept liability for the claim. It also does not diminish our right to apply any condition of this policy.

You remain responsible for all damaged property until it is in our possession.

To take legal action on your behalf

If we have compensated you for loss or damage, we have the right to recover our costs from the responsible third-party. We have the right to take legal action on your behalf to defend or settle any third-party claim. You agree that we may conduct the legal proceedings to our full discretion.

You must cooperate fully with us. Specifically, you agree to:

- do nothing that will prejudice or limit our rights;
- give us all information and documents we require;
- sign any document or affidavit that we request to enable us to exercise our rights;
- attend depositions, hearings, trials and give evidence as necessary; and
- make no admission, offer, promise, payment or statement about Sasria's liability without our written consent.

Transfer of rights

Only you have the right to claim against us under this policy. This right may only be transferred to another person or entity if you should die or if the law orders it.

SHARING INFORMATION

By entering into a contract with Sasria, you waive your right to privacy and agree that we may disclose to any other insurance company any relevant information that you, or someone else on your behalf, has provided to us.

YOUR RESPONSIBILITIES

To be covered

To be covered under your Sasria policy:

1. The underlying policy must have been valid and active on the date of the insured event for which you claim;

2. The Sasria premium payments must be up to date and we must have received all such payments; and

3. You must, for attached policies, comply with the terms and conditions of your Sasria policy and those of the underlying policy (with the exceptions described above under **Policies that attach to the underlying policies**). For stand-alone policies, you must comply with the terms and conditions of your Sasria policy.

Pay the premium in advance

Your Sasria premium is payable in advance per month or per year. If the period of insurance is more than one month, but less than 12 months, the full annual premium will be payable in advance.

If we do not receive your premium by the due date, we will consider this policy to have lapsed at 24:00 (midnight) of the last day of the previous period of insurance, unless you can prove that the failure to pay was an error on the part of our agent or your broker.

Take all reasonable precautions

You must take all reasonable action to prevent loss or damage.

Do not withhold information or commit fraud

It is your responsibility to make sure that you give us all relevant information and that this information is complete, correct, and remains correct. If you withhold any information, or give us false or incorrect information, we may refuse to pay your claim.

We have the right to verify or investigate any information that you submit.

We have the right to reject a claim if you, or any person representing you, commit fraud in terms of this Sasria policy. If we refuse to pay your claim because of fraud or attempted fraud, we will not refund premiums already paid and may start legal proceedings against the defrauding party.

You commit fraud if you, or anyone on your behalf:

- submit a false or dishonest claim under this policy;
- use false or dishonest means or false information to benefit from the cover that we provide; or
- deliberately cause an insured event. For example, if you should deliberately cause a fire or add fuel to it.

COMPENSATION

How we compensate you

If you have a valid claim, we will compensate you for the lost or damaged property by making a payment to you, or by repairing, replacing or reinstating the damaged property.

Who gets the compensation?

If we accept liability, we compensate the policyholder, or his beneficiary in the event of his death, except in the following cases:

1. If the lost or damaged property is still under finance, we will pay the financial institution first.

2. If the lost or damaged property has been sold to you, but the seller still has an insurable interest in the property, we will compensate the seller proportionally if you write to us and request us to do so.

If the compensation that settles the claim is accepted, we will have no further liability regarding the claim.

Policy limits

The limits of compensation are detailed in the respective policies.

Agreed value

If the property is leased, rented or hired under an agreement that requires the insured to insure the property and/or be responsible for it at an agreed value, the sum insured will be the stipulated agreed value.

COUNTRIES WHERE YOU ARE COVERED

This policy covers only property situated in the Republic of South Africa or in the territorial waters of South Africa. The 1982 United Nations Convention on the Law of the Sea defines territorial waters as "a belt of coastal waters extending 12 nautical miles (22.2 km) from the baseline (usually the mean low-water mark) into the sea".

Sasria has an agreement with the Namibian special risk insurance association (NASRIA). In terms of this agreement, you have Sasria cover in Namibia for a maximum of sixty (60) consecutive days.

DISPUTES

If a dispute arises as to the compensation payable, or the liability of Sasria, we will refer the matter for arbitration in terms of the arbitration laws in force at that time in the Republic of South Africa, at a place that we will determine.

You will not have the right to take legal action against Sasria until the arbiter has made a decision. The decision of the arbiter will be final and binding.

AMENDMENT

You, or Sasria, may amend this policy, but no amendment to this policy will be valid unless a director of Sasria has signed the amendment.

How To Claim

WHAT TO DO AFTER AN INSURED EVENT

1. Contact your underlying insurer. The underlying insurer will let you know if you have a special risk claim and will handle the Sasria claim on your behalf.
2. Report the incident to the police within 48 hours and get a case number.
3. Do not make any offer or promise or admit responsibility.
4. Do not leave any damaged property without supervision, if possible.

You must claim, or notify us of the intention to claim, under this policy within thirty (30) days of the date of the insured event.

If we receive your claim or notification more than twelve (12) months after the date of the insured event, we will not consider liability, unless the claim is the subject of pending legal action or if the underlying insurer has not yet completed the final assessment of the loss. It is your responsibility to notify Sasria immediately of a pending legal action or delay in the final assessment.

SUPPORTING DOCUMENTS

For all claims, we will request supporting documents or information. Your underlying insurer will send you a list of all the required documents.

MATERIAL DAMAGE (FIRE)

Material damage (Fire) attaches to the underlying policy. Please see the general terms and conditions above for an explanation of attached policies.

IMPORTANT WORDS AND PHRASES

Word or phrase	Defined meaning
Civil commotion	Large-scale violence by members of the public, causing injury to people or damage to property
Consequential loss	Loss or damage that is not directly caused by an insured risk, but which is an indirect consequence or result of the insured risk.
Labour disturbance	In the case of Slabbert Burger vs Sasria, disturbance in a labour context was defined as "an overt disturbance of the public peace in defiance of authority, leading to physical damage". Sasria will only consider a claim for loss or damage as a result of a labour disturbance if all four of the following elements are present: • A disturbance of the public peace; • Which happens openly, or which is clear upon observing; • In disobedience of authority; and • Which leads to physical loss or damage.
Lockout	According to section 213 of the Labour Relations Act (66 of 1995), a lockout means "the exclusion by an employer of employees from the employer's workplace, for the purpose of compelling the employees to accept a demand in respect of any matter of mutual interest between employer and employee, whether or not the employer breaches those employees' contracts of employment in the course of or for the purpose of that exclusion". This definition may be amended by South African law from time to time.
Looting	To steal goods, typically during a riot, strike or civil commotion. Looting must take place during an event that Sasria covers. Sasria does not cover theft.
Policyholder	The person(s) or juristic entity in whose name the policy is issued. A policyholder could be: • A holding company and all its subsidiaries (as set out in the Companies Act, 61 of 1973); or • A subsidiary of the holding company; or • An entity other than a company; or • A person or persons
Public disorder	A riot or other civil commotion that gives rise to a serious risk to public safety, whether at a single location or resulting from a series of incidents in the same or different locations.
Riot	In terms of case law, riot means the tumultuous disturbance of public peace by an assembly of three or more persons acting together in the execution of some private objective. Sasria will only consider a claim for loss or damage as a result of a riot, if all four of the following elements are present:

	• Three or more persons who have assembled with the same objective, • A tumultuous disturbance of the public peace, • Which leads to strife, violence or threats of violence; and • Physical loss or damage. In terms of this definition, Sasria does not consider the violent acts of three or more people who have different objectives as a riot.
Strike	According to section 213 of the Labour Relations Act (66 of 1995), a strike means "the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee, and every reference to 'work' in this definition includes overtime work, whether it is voluntary or compulsory". This definition may be amended by South African law from time to time.
Terrorism	The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims. Please note that Sasria cover does not extend beyond the borders of South Africa. In other words, if terrorism happens outside the borders of South Africa, Sasria does not cover that. Furthermore, Sasria does not cover consequential loss emanating from any acts of terrorism.

WHO DO WE COVER?

In the Material Damage policy, Sasria covers the policyholder.

WHAT WE COVER

Sasria will compensate you for the loss of, or damage to, property insured in the underlying policy, if that loss or damage is directly related to, or caused by:

1. Any riot, strike or public disorder or any act or activity which is calculated or directed to bring about a riot, strike or public disorder,
2. 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;
3. 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;
4. Any attempt to perform any act referred to in clauses 1, 2 and 3 above;
5. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clauses 1, 2, 3 or 4 above;
6. Looting committed as part of the acts described in 1, 2, 3, 4 or 5 above.

WHAT WE DON'T COVER

Sasria does not compensate you for:

1. Any form of consequential or indirect loss or damage, other than the loss of rent. We will only cover loss of rent if the underlying policy specifically insures it, and only until the insured building is again suitable to be rented out or occupied;

2. Consequential loss or damage resulting from stopping work, totally or partially, or from delaying, interrupting or stopping any process or operation;
3. Loss or damage resulting from a lawful authority confiscating, commandeering or requisitioning insured property, permanently or temporarily, or any attempt to do so;
4. Loss or damage, in any way caused by, or contributed to, an act of terrorism that uses, or threatens to use, any nuclear weapon or device, or any chemical or biological agent;
5. Loss or damage, in any way caused by, or contributed to, war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, 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 a state of siege;
6. Any attempt to perform any act referred to in clauses 4 and 5 above;
7. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clause 4 and 5 above;
8. 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 l976) or any similar Act operative in South African territory to which this policy applies;
9. Loss or damage caused by prevention of access (for example, deterioration of stock or perishables);
10. Loss or damage for which you are liable in terms of a contract, unless you would have been liable for the damage in the absence of the contract;
11. Loss or damage caused directly or indirectly by a nuclear event. A nuclear event is an incident or accident involving the release of radioactive material with negative health and environmental effects.

If we reject a claim by reason of exclusion 5 or 8, you will have to prove that the loss or damage was not related to exclusion 5 or 8.

CONDITIONS

If an insured building or structure is destroyed and Sasria has accepted liability for your claim, you may replace the destroyed building with an equivalent building at another site. Our liability will be limited to the cost of reinstating the destroyed building or structure at the original site.

COMPENSATION

The limit of compensation for the period of insurance is R500 million (excluding VAT), even if the sum insured exceeds R500 million (excluding VAT). Sasria allows for the reinstatement of cover if the limit of compensation has been exhausted during the period of insurance. An additional premium will be charged for reinstated cover for the remainder of the period of insurance.

Sasria will base compensation for a single lost or damaged item, or for all the lost or damaged items together, on the sum insured, even if there is a Basis of Loss Settlement clause in the underlying policy.

BUSINESS INTERRUPTION

Sasria provides short-term insurance cover against special risks that the broader insurance industry does not cover. Examples of these special risks are civil commotion, strike, riot, public disorder and terrorism.

This document is the legal and official version of your Sasria policy wording. The laws of South Africa govern this policy.

Your contract with Sasria comprises:

- the policy wording (this document),
- the Sasria policy schedule,
- any information that you, or someone acting on your behalf, supply to us, and
- any amendment to the policy.

Please read the wording carefully to make sure that you understand what your policy covers. You must always read the wording together with the Sasria schedule.

We look forward to being of service to you.

HOW TO REACH US

011 214 0800 or 086 172 7742 | contactus@sasria.co.za | www.sasria.co.za

GENERAL TERMS AND CONDITIONS

HOW YOU SHOULD READ THIS DOCUMENT

"We", **"our"** or **"us"** in the wording refers to Sasria SOC Ltd. **"You"** or **"your"** in the wording refers to the policyholder.

Words in the singular include the plural. Words in the masculine gender (he) include the feminine gender (she).

YOUR SASRIA POLICY AND THE UNDERLYING POLICY

You must have an underlying policy in force

To be insured against the special risks mentioned above, you must have an underlying policy contract in force that includes Sasria cover at the time of the event that gives rise to a loss. If you choose to only take out Sasria cover, there must be a pro forma underlying policy as a formality. The pro forma policy can be issued by any underlying insurer. The underlying insurer must give you Sasria cover regardless of your risk profile.

Sasria policies attach to the underlying policy or they are stand-alone:

- **Attached policies** incorporate the terms, conditions and warranties of the underlying policy with some exceptions (see the next subsection).
- **Stand-alone policies** have their own terms and conditions that are listed in the relevant policy wording.

Policies that attach to the underlying policy	Stand-alone policies
Material Damage (Fire) Contract Works	Motor Business Interruption (Standing Charges, Working Expenses Loss of net profit, Loss of gross profit, Project Delay)

Policies that attach to the underlying policy

For these policies, the terms, conditions, exclusions and warranties of the underlying policy also apply to the Sasria policy **except for those listed below**:

Standard S.A.I.A. Exceptions

The general exclusions of underlying policies typically include the Standard S.A.I.A. Exceptions. Your Sasria policy covers some of the S.A.I.A. Exceptions, but not all of them.

Your Sasria policy covers civil commotion, riot, strike, lockout, public disorder, rebellion and revolution and terrorism (S.A.I.A. Exceptions A(i), A(iii)(b), A(iv), A(v), A(vi) and A(vii) to the extent that A(vii) refers to A(i), A(iii)(b), A(iv), A(v) and A(vi) and C).

Your Sasria policy does not cover war and war-related activities (S.A.I.A. Exceptions A(ii), A(iii)(a) and A(vii) to the extent that A(vii) refers to A(ii) and A(iii)(a) and B).

In each policy, see **What we cover** and **What we don't cover** for the details.

If the numbering in your underlying policy does not correspond with the numbering of the Standard S.A.I.A. Exceptions, you must refer to the corresponding contents.

Extensions

Sasria special risk cover only applies to the basic cover of the underlying policy. It does not apply to any additional perils and extensions included in the underlying policy, whether optional or not. Sasria covers its own list of extensions at an additional premium. You will find the list of extensions under the Business Interruption Section. Contact us if you want Sasria cover for any of these extensions.

Excess

For Material Damage (Fire), there is no excess payable if you claim under your Sasria policy.

For Contract Works, the following excess is payable:

For loss or damage to contract works and materials, the excess or first amount payable is calculated as 0,1% of the value of the specific contract for which a claim is made.

The following minimum and maximum amounts apply:

Minimum excess (first amount payable)

- R250 (Domestic risks)
- R2 500 (All other risks)

Maximum excess (first amount payable)

- R25 000

For loss or damage to a construction plant, the excess is R1 000 for each loss or damage arising from any one insured event.

Premium

Any adjustment of the premium clause or condition in the underlying policy will not automatically apply to your Sasria policy.

Period of insurance

The period of insurance of your Sasria policy is the same as the period of insurance of the underlying policy.

Sasria and the underlying insurer must sign your schedule

For your Sasria contract to be valid, the Sasria schedule must bear the signatures of a director of Sasria and the underlying insurer.

CANCELLATION

Only you have the option to cancel Sasria cover; Sasria will never cancel your cover.

If an underlying policy is cancelled, it does not automatically result in cancellation of your Sasria cover. The underlying insurer must give you the option to keep your Sasria cover except if the cancellation was due to non-payment. If you choose to keep your Sasria cover, the underlying insurer will issue a pro forma policy to which your Sasria policy will attach.

OUR RIGHTS

To review rates and premiums

We reserve the right to review the terms and conditions of a policy, including rates and premiums, in line with all applicable laws (e.g. the Policyholder Protection Rules). Where necessary, some or all classes of business rates and premiums may be reviewed with reference to trends, expectations and assumptions, including but not limited to the following:

a) Documented trend of poor performance on class or classes of business over the last three (3) - to five (5) years,

b) Reasonably balancing the interests of Sasria SOC Ltd and its policyholders' expectations, and

c) The extent to which the assumptions on which the premium was based have been met.

In accordance with the law, we will duly notify the policyholder in writing, through our distribution channels, of the details of the pending review; the effective date of the review; the reasons for the review; the implication of the review; the policyholder's rights and obligations regarding the review, including any cooling-off rights offered and procedures applicable for the exercise thereof; and any other relevant details.

Each policyholder will be given a reasonable notice period to make an informed decision as to whether the policy continues to meet the policyholder's requirements as a result of the reviewed terms and conditions.

To take possession of damaged property

When you claim under this policy, you agree that we, and any person authorised by us, have the right to enter the damaged property, or take possession of it, and deal with it in any reasonable manner. This right does not imply that we accept liability for the claim. It also does not diminish our right to apply any condition of this policy.

You remain responsible for all damaged property until it is in our possession.

To take legal action on your behalf

If we have compensated you for loss or damage, we have the right to recover our costs from the responsible third-party. We have the right to take legal action on your behalf to defend or settle any third-party claim. You agree that we may conduct the legal proceedings to our full discretion.

You must cooperate fully with us. Specifically, you agree to:

- do nothing that will prejudice or limit our rights,
- give us all information and documents we require,
- sign any document or affidavit that we request to enable us to exercise our rights,

- attend depositions, hearings, trials and give evidence as necessary, and
- make no admission, offer, promise, payment or statement about Sasria's liability without our written consent.

Transfer of rights

Only you have the right to claim against us under this policy. This right may only be transferred to another person or entity if you should die or if the law orders it.

SHARING INFORMATION

By entering into a contract with Sasria, you waive your right to privacy and agree that we may disclose to any other insurance company any relevant information that you, or someone else on your behalf, has provided to us.

YOUR RESPONSIBILITIES

To be covered

To be covered under your Sasria policy:

1. The underlying policy must have been valid and active on the date of the insured event for which you claim,
2. The Sasria premium payments must be up to date and we must have received all such payments, and
3. You must, for attached policies, comply with the terms and conditions of your Sasria policy and those of the underlying policy (with the exceptions described above under Policies that attach to the underlying policies). For stand-alone policies, you must comply with the terms and conditions of your Sasria policy.

Pay the premium in advance

Your Sasria premium is payable in advance per month or per year. If the period of insurance is more than one month, but less than 12 months, the full annual premium will be payable in advance.

If we do not receive your premium by the due date, we will consider this policy to have lapsed at 24:00 (midnight) of the last day of the previous period of insurance, unless you can prove that the failure to pay was an error on the part of our agent or your broker.

Take all reasonable precautions

You must take all reasonable action to prevent loss or damage.

Do not withhold information or commit fraud

It is your responsibility to make sure that you give us all relevant information and that this information is complete, correct, and remains correct. If you withhold any information, or give us false or incorrect information, we may refuse to pay your claim.

We have the right to verify or investigate any information that you submit.

We have the right to reject a claim if you, or any person representing you, commit fraud in terms of this Sasria policy. If we refuse to pay your claim because of fraud or attempted fraud, we will not refund premiums already paid and may start legal proceedings against the defrauding party.

You commit fraud if you, or anyone on your behalf:

- submit a false or dishonest claim under this policy,
- use false or dishonest means or false information to benefit from the cover that we provide, or
- deliberately cause an insured event. For example, if you should deliberately cause a fire or add fuel to it.

COMPENSATION

How we compensate you

If you have a valid claim, we will compensate you for the lost or damaged property by making a payment to you, or by repairing, replacing or reinstating the damaged property.

Who gets the compensation?

If we accept liability, we compensate the policyholder, or his beneficiary in the event of his death, except in the following cases:

1. If the lost or damaged property is still under finance, we will pay the financial institution first.

2. If the lost or damaged property has been sold to you, but the seller still has an insurable interest in the property, we will compensate the seller proportionally if you write to us and request us to do so.

If the compensation that settles the claim is accepted, we will have no further liability regarding the claim.

Policy limits

The limits of compensation are detailed in the respective policies.

Agreed value

If the property is leased, rented or hired under an agreement that requires the insured to insure the property and/or be responsible for it at an agreed value, the sum insured will be the stipulated agreed value.

COUNTRIES WHERE YOU ARE COVERED

This policy covers only property situated in the Republic of South Africa or in the territorial waters of South Africa. The 1982 United Nations Convention on the Law of the Sea defines territorial waters as "a belt of coastal waters extending 12 nautical miles (22.2 km) from the baseline (usually the mean low-water mark) into the sea".

Sasria has an agreement with the Namibian special risk insurance association (Nasria). In terms of this agreement, you have Sasria cover in Namibia for a maximum of sixty (60) consecutive days.

DISPUTES

If a dispute arises as to the compensation payable, or the liability of Sasria, we will refer the matter for arbitration in terms of the arbitration laws in force at that time in the Republic of South Africa, at a place that we will determine.

You will not have the right to take legal action against Sasria until the arbiter has made a decision.

The decision of the arbiter will be final and binding.

AMENDMENT

You, or Sasria, may amend this policy, but no amendment to this policy will be valid unless a director of Sasria has signed the amendment.

How to claim

What to do in the event of a business interruption.

You must notify the underlying insurer in writing that you intend to claim for business interruption under this policy. You must submit the claim to the underlying insurer not later than 30 days after the end of the indemnity period unless we have agreed otherwise. (See the definition of indemnity period below.)

You must also provide us with details of all other insurance covering the loss or damage.

SUPPORTING DOCUMENTS

We may ask you to submit financial evidence to support your claim. Your underlying insurer will send you a list of all the required documents. The documents must be certified by your auditors or accountants and will be used to verify your claim.

IMPORTANT WORDS AND PHRASES

Word or phrase	Defined meaning
Civil commotion	Large-scale violence by members of the public, causing injury to people or damage to property
Consequential loss	Loss or damage that is not directly caused by an insured risk, but which is an indirect consequence or result of the insured risk.
Labour disturbance	In the case of Slabbert Burger vs Sasria, disturbance in a labour context was defined as "an overt disturbance of the public peace in defiance of authority, leading to physical damage". Sasria will only consider a claim for loss or damage as a result of a labour disturbance if all four of the following elements are present: • A disturbance of the public peace; • Which happens openly, or which is clear upon observing; • In disobedience of authority; and • Which leads to physical loss or damage.
Lockout	According to section 213 of the Labour Relations Act (66 of 1995), a lockout means "the exclusion by an employer of employees from the employer's workplace, for the purpose of compelling the employees to accept a demand in respect of any matter of mutual interest between employer and employee, whether or not the employer breaches those employees' contracts of employment in the course of or for the purpose of that exclusion". This definition may be amended by South African law from time to time.
Looting	To steal goods, typically during a riot, strike or civil commotion. Looting must take place during an event that Sasria covers. Sasria does not cover theft.
Policyholder	The person(s) or juristic entity in whose name the policy is issued. A policyholder could be: • A holding company and all its subsidiaries (as set out in the Companies Act, 61 of 1973); or • A subsidiary of the holding company; or • An entity other than a company; or • A person or persons
Public disorder	A riot or other civil commotion that gives rise to a serious risk to public safety, whether at a single location or resulting from a series of incidents in the same or different locations.
Riot	In terms of case law, riot means the tumultuous disturbance of public peace by an assembly of three or more persons acting together in the execution of some private objective. Sasria will only consider a claim for loss or damage as a result of a riot, if all four of the following elements are present: • Three or more persons who have assembled with the same objective, • A tumultuous disturbance of the public peace,

	• Which leads to strife, violence or threats of violence; and • Physical loss or damage. In terms of this definition, Sasria does not consider the violent acts of three or more people who have different objectives as a riot.
Strike	According to section 213 of the Labour Relations Act (66 of 1995), a strike means "the partial or complete concerted refusal to work, or the retardation or obstruction of work, by persons who are or have been employed by the same employer or by different employers, for the purpose of remedying a grievance or resolving a dispute in respect of any matter of mutual interest between employer and employee, and every reference to 'work' in this definition includes overtime work, whether it is voluntary or compulsory". This definition may be amended by South African law from time to time.
Terrorism	The unlawful use of violence and intimidation, especially against civilians, in the pursuit of political aims. Please note that Sasria cover does not extend beyond the borders of South Africa. In other words, if terrorism happens outside the borders of South Africa, Sasria does not cover that. Furthermore, Sasria does not cover consequential loss emanating from any acts of terrorism.

Words and phrases relating to Business Interruption

Indemnity period	The period during which the insured business incurred financial losses or expenses as a result of an interruption to the insured business as defined in this policy. The period will start on the date that the insured event, which caused the business interruption, occurred. The maximum length of the indemnity period is set out in the policy schedule.
Turnover	The money paid or payable to the insured for goods sold and delivered and for services rendered in the course of business at the insured premises
Annual turnover	The turnover of the insured business for the 12 months immediately before the insured event occurred.
Standard turnover	The turnover of the insured business during a specific period in the 12 months immediately before the insured event, which corresponds with the same period during the indemnity period.
Revenue	The total income of the insured business from, for example, sales, fees, interest or rentals.
Annual revenue	The revenue of the insured business for the 12 months immediately before the insured event occurred.
Standard revenue	The revenue of the insured business during a specific period in the 12 months immediately before the insured event, which corresponds with the same period during the indemnity period.

OVERVIEW

Business Interruption is a stand-alone policy with its own terms and conditions. It does not attach to the terms and conditions of the underlying policy.

Business Interruption covers you for financial losses due to the interruption of, or interference with, your business activities as a result of loss of, or damage to, any building or other property, or any part of it, at the premises shown as the risk address in the schedule as a result of an event that Sasria covers.

This policy comprises six sections: Standing charges, Working expenses, Loss of net profit, Loss of gross profit, Revenue and Project Delay.

Cover for 'Increase in cost of working' is included in all sections. 'Increase in cost of working' refers to the expenditure necessarily and reasonably incurred by the insured to ensure the continued operations of the business and for the sole purpose of avoiding a reduction in turnover during the indemnity period.

Standing Charges

Standing charges covers you for regular, fixed business expenses, for example wages, rentals, subscriptions, utility, telephone and internet charges. You must specify in the schedule which standing charges you want this policy to cover.

Working Expenses

Working expenses covers you for variable business expenses. You may indicate in the schedule the working expenses that you do not want this policy to cover, for example discounts or bad debts. These are also called working expenses specified as uninsured.

Loss of net profit

Loss of net profit covers you for loss of the actual profit of the insured business as a result of a business interruption as defined in this policy and covered during the indemnity period. Net profit is defined as profit after all costs have been deducted from the turnover or revenue, including standing and other charges, as well as depreciation. Capital receipts and deposits are not included in the calculation of net profit. The calculation of net profit takes place before any tax on profits is deducted.

Turnover and revenue refer to the total income of the business generated from sales or services. The term 'turnover' is usually applied for businesses with stock whereas the term 'revenue' is usually applied for businesses without stock.

Loss of gross profit

Loss of gross profit covers you for loss of net profit plus standing charges or working expenses, as explained above.

Loss of Revenue

Loss of revenue covers you for loss of income earned from the sale of products or for services rendered in the course of the business at the insured premises.

Project Delay

Project Delay covers you for expenses necessarily and reasonably incurred when a construction project is delayed as a result of a business interruption as defined in this policy and covered during the indemnity period.

Summary

The relationship between the sections that Business Interruption comprises is explained in the figure below:

Business Interruption

Standing Charges	Working Expenses	Loss of net profit	Loss of gross profit	Loss of Revenue	Project Delay
Standing charges that you want the policy to cover need to be specified in the schedule	Calculated according to a formula Expenses that you do not want the policy to cover needs to be specified in the schedule	Loss of turnover (for businesses with stock)	Loss of net profit plus standing charges or working expenses	Loss of revenue (no stock)	Standing charges only, not loss of profit
Increase in cost of working included	Increase in cost of working included	Increase in cost of working included	Increase in cost of working included		Increase in cost of working (expenses associated with project delay)
Condition: A valid Sasria claim under a Material damage policy					Condition: A valid Sasria claim under Contract works policy

WHO DO WE COVER?

The Business Interruption policy covers the policyholder and any other insured entity or person named in the schedule.

WHAT WE COVER

Sasria will compensate you for financial losses due to business interruption as selected and specified in the schedule.

The business interruption must be as a result of the loss of, or damage to, property insured in a Material Damage (Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit and Revenue) or Contract Works (Project Delay) policy. The loss or damage that led to the business interruption must have taken place during the period of insurance of the applicable Sasria policy.

The loss or damage must be directly related to, or caused by, the following insured events:

1. Any riot, strike or public disorder or any act or activity which is calculated or directed to bring about a riot, strike or public disorder,

2. 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,

3. 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,

4. Any attempt to perform any act referred to in clauses 1, 2 and 3 above,

5. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clauses 1, 2, 3 or 4 above,

6. Looting committed as part of the acts described in 1, 2, 3, 4 or 5 above.

Extension included

Claim preparations cost

The insurance provided by this policy includes costs that you reasonably incurred to produce and certify any particulars or details that we require in terms of Condition 6 or to substantiate any claim. We will pay a maximum of R50 000 for such costs per claim.

Extension optional

Additional increase in cost of working

You may increase the sum insured for 'Increase in cost of working' at an additional premium.

You will find the full list of extensions at Business Interruption Section . Contact us if you want Sasria cover for any of these extensions.

WHAT WE DON'T COVER

Sasria does not compensate you for business interruption that results from any of the following:

1. Any form of consequential or indirect loss or damage, depreciation of any nature, wear and tear, and any form of mechanical or electrical failure or breakdown,

2. Consequential loss or damage resulting from stopping work, totally or partially, or from delaying, interrupting or stopping any process or operation,

3. Loss or damage resulting from a lawful authority confiscating, commandeering or requisitioning insured property, permanently or temporarily, or any attempt to do so,

4. Loss or damage, in any way caused by, or contributed to, an act of terrorism that uses, or threatens to use, any nuclear weapon or device, or any chemical or biological agent,

5. Loss or damage, in any way caused by, or contributed to, war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not), civil war, 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 a state of siege,

6. Any attempt to perform any act referred to in clauses 4 and 5 above,

7. The act of any lawfully established authority in controlling, preventing, suppressing or, in any other way, dealing with any act or attempted act referred to in clause 4 and 5 above,

8. 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 l976) or any similar Act operative in South African territory to which this policy applies,

9. Prevention of access (for example, penalties or fines for an extended contract period),

10. Loss or damage for which you are liable in terms of a contract, unless you would have been liable for the damage in the absence of the contract,

11. Loss or damage caused directly or indirectly by a nuclear event. A nuclear event is an incident or accident involving the release of radioactive material with negative health and environmental effects.

If we reject a claim by reason of exclusion 4, you will have to prove that the loss or damage was not related to exclusion 4.

We will also not compensate you under this policy for:

12. Loss of net profit and any extra expenses due to a business interruption at the premises of a customer or a supplier, or any entity that is part of your supply chain;

13. Loss resulting from a business interruption that was caused by damage to a public utility or public communications entity serving the insured premises.

CONDITIONS

1. For Standing Charges, Working Expenses, Loss of net profit, Loss of gross profit and Revenue:
   1.1. You must have Sasria cover under a Material Damage (Fire) policy with an underlying insurer.
   1.2. You may only submit a claim under any of these sections if the business interruption is a result of loss of damage for which you have successfully claimed from Sasria under Material Damage.

2. For Project Delay:
   2.1. You must have Sasria cover under a Contract Works policy with an underlying insurer.
   2.2. You may only submit a claim under Project Delay if the delay is a result of loss or damage for which you have successfully claimed from Sasria under Contract Works. If a claim under Contract Works is rejected only because the excess amount is larger than the material damage loss, then Sasria will nevertheless cover you for project delay if you have taken out this section.

3. Cover under this policy or any section of it will end, if:
   3.1. the insured business is permanently discontinued or liquidated; or
   3.2. after the start of the period of insurance, the insured dies or no longer has an insurable interest in the business; or
   3.3. you cancel your Material Damage or Contract Works with Sasria, as applicable to the sections of this policy.

   We may agree in writing to continue cover in the event of 3.1 or 3.2.

4. You must notify the underlying insurer in writing that you intend to claim for business interruption under this policy. You must take reasonable care to prevent or reduce business interruption by avoiding or diminishing any further loss or damage.

5. You must submit a claim for business interruption to the underlying insurer not later than 30 days after the end of the indemnity period unless we have agreed otherwise. You must also provide them with details of all other insurance covering the loss or damage that led to the business interruption or any consequential loss.

6. You must submit all financial evidence that the underlying insurer requires in support of your claim. The documents must be certified by your auditors or accountants and will be used to verify your claim. You may also be asked to submit an affidavit that declares the truthfulness of the claim and related matters. No claim is payable unless you have complied with this condition. If we have paid out a claim and we discover that the claim was fraudulent, you will have to pay back the compensation.

7. We may adjust the premium paid for Standing Charges when we receive a declaration from the underlying insurer of the actual standing charges paid during the financial year that ends during the Period of Insurance, as certified by your auditors. If the declaration for actual standing charges for that financial year is less than the sum insured for Standing Charges, we will refund the premium for Standing Charges up to a maximum of 50%.

COMPENSATION

For the policyholder, the total limit of compensation is R500 million (excluding VAT) per period of insurance. The policyholder may insure sub-contractors under Project Delay at an additional premium.

The maximum total compensation for all the sub-contractors together is R50 million per period of insurance. Sub-contractors may take out their own Sasria insurance.

These limits apply irrespective of the number of insured events or the number of claims for which we have accepted liability under this policy.

The principle of average will apply as follows: The amount we will pay for an indemnity period of 12 months will be proportionately reduced if the sum insured for Loss in gross profit is less than the sum calculated by applying your gross profit rate to the annual turnover.

Where the maximum indemnity period exceeds 12 months, the appropriate multiple of the annual turnover will apply.

Standing charges

Compensation will not exceed the sum insured of the standing charges listed in the schedule.

Departments or branches

If a department or branch of the insured business has suffered business interruption, its financial statements will be considered independently when we calculate compensation for Standing charges.

The principle of average will apply if the sum insured for Standing charges of the total business is less than the sum of the insured standing charges for each department or branch during the financial year preceding the date of the loss or damage that resulted in the business interruption. The compensation will be reduced proportionally according to the rate that the business is underinsured for Standing charges.

Working expenses

Compensation is calculated on a difference basis as follows:

Turnover MINUS ([value of opening stock minus value of closing stock] + specified uninsured working expenses + net profit)

The value of the opening and closing stock will be calculated in accordance with generally accepted accounting practice.

Departments or branches

If a department or branch of the insured business has suffered business interruption, its financial statements will be considered independently when we calculate compensation for Working expenses.

The principle of average will apply if the sum insured for Working expenses of the total business is less than the sum of the working expenses for each department or branch. The working expenses for each branch will be calculated according to the formulate given above. The compensation will be reduced proportionally according to the rate that the business is underinsured for Working expenses.

Loss in net profit

Compensation will not exceed the sum insured as stated on the schedule.

Loss in gross profit

Compensation will not exceed the sum insured as stated on the schedule.

Loss of Revenue

Compensation will not exceed the sum insured as stated on the schedule.

Additions basis

If you have taken out Standing Charges, compensation will be calculated on an additions basis as the sum of the net profit and the insured standing charges set out in the schedule.

If there is no net profit, the pay-out will be reduced by the ratio between insured standing charges and all the standing charges of the business. If you have not covered all standing charges for business interruption, the pay-out will be reduced with the ratio between the sum of the net profit and insured standing charges and the sum of the net profit and all the standing charges (insured and not insured).

Difference basis

If you have taken out Working Expenses, compensation will be calculated on a difference basis as follows:

(Turnover plus value of the closing stock) MINUS (Value of the opening stock plus the specified uninsured working expenses)

The policyholder's audited financial statements will be used to determine the value of the opening and closing stock. Depreciation will be considered.

Increase in cost of working

Compensation will not exceed the sum insured as stated in the schedule.

We will pay you the expenses necessarily and reasonably incurred to avoid or diminish reduction in turnover during the indemnity period. The compensation will not exceed the expenses to diminish reduction in turnover/revenue times the gross profit rate. Any discount or saving will be deducted from the compensation.

Project Delay

Compensation will not exceed the sum insured as stated in the schedule.

CLAUSES

The clauses below relate to compensation.

Trends

In calculating compensation, the profit trend of the business will be considered by applying the policyholder's gross profit rate to the amount that the turnover or revenue during the indemnity period is less than the standard turnover or standard revenue. For the gross profit rate, the turnover or revenue during the financial year immediately before the insured event will be used.

Salvage sale

If the insured business holds a salvage sale during the indemnity period, the turnover of the salvage sale will be deducted from the turnover during the indemnity period.

Accumulated stock

When we calculate the compensation, we will consider any accumulated stock that was sold to temporarily minimise any reduction in turnover after the business interruption.

SPECIFICATION ATTACHING TO THE STANDING CHARGES WORDING

SPECIFICATION REFERRED TO IN THE ATTACHED SASRIA CONSEQUENTIAL LOSS POLICY

Insured Standing Charges Only - (as stated in the Schedule)

The Insurance hereby is limited to loss in respect of INSURED STANDING CHARGES due to (a) REDUCTION IN TURNOVER and

(b) INCREASE IN COST OF WORKING and the amount payable as indemnity thereunder shall be:

(a) IN RESPECT OF REDUCTION IN TURNOVER - The sum produced by applying the RATE PAYABLE 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 (subject to the provisions of the Uninsured Standing Charges Clause) 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 PAYABLE to the amount of the reduction thereby avoided,

less any sum saved during the INDEMNITY PERIOD in respect of such of the INSURED STANDING CHARGES as may cease or be reduced in consequence of the Damage,

provided that if the SUM INSURED by this item be less than the sum produced by applying the RATE PAYABLE to the ANNUAL TURNOVER (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS

"Insured Standing Charges" - The amount of the INSURED STANDING CHARGES, or if the business is showing a net trading loss, the amount of the said INSURED STANDING CHARGES less such a proportion of any net trading loss as the amount of the INSURED STANDING CHARGES bears to all the STANDING CHARGES of the business.

For the Specified Insured Standing Charges - see the Schedule.

"Net Profit" - The net profit (exclusive of all capital receipts and accretions, and all outlay properly chargeable to capital) resulting from the business of the Insured 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.

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

"Indemnity Period" - The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period, as stated in the Schedule, thereafter during which the results of the business shall be affected in consequence of the Damage.

"Rate Payable" – The percentage that the INSURED earned on the TURNOVER during the financial year immediately before the date of the Damage

"Annual Turnover" – The TURNOVER during the twelve months immediately before the date of Damage.

"Standard Turnover" – The TURNOVER during the period in the twelve months immediately before the date of the which corresponds with the INDEMNITY PERIOD

To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in 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 shall represent as nearly as may be reasonably practicable the results Damage which but for the Damage would have been obtained during the relative period after the Damage.

ALTERNATIVE TRADING CLAUSE

If during the INDEMNITY PERIOD goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the TURNOVER during the INDEMNITY PERIOD.

UNINSURED STANDING CHARGES CLAUSE

In computing the amount recoverable hereunder as INCREASE IN COST OF WORKING, that proportion only of the additional expenditure shall be brought into account which the WORKING EXPENSES bear to the sum of the WORKING EXPENSES NET PROFIT and the UNINSURED STANDING CHARGES.

REBATE CLAUSE (Applicable only if the Sum Insured Exceeds R1 000 000)

The premium paid hereon may be adjusted on receipt by the Nominated Insurer of a declaration of Insured Standing Charges paid during the financial year most nearly concurrent with the Period of Insurance, as certified by the Insured's auditors.

If any damage shall have occurred giving rise to a claim for loss of Standing Charges, the abovementioned declaration shall be increased by the Nominated Insurer for the purpose of premium adjustment by the amount by which the Insured Standing Charges were reduced during the financial year solely in consequence of the Damage.

If the declaration (adjusted as provided for above and proportionately increased where the maximum Indemnity Period exceeds 12 months) is less than the Sum Insured on Standing Charges for the relative Period of Insurance the Company will allow a return of premium not exceeding 50% of the premium paid, by recalculating the premium in accordance with such declaration. This Clause will have no effect unless a certified declaration is received by the Nominated Insurer within six months of the expiry of the Period of Insurance.

CLAIMS COST CLAUSE

This insurance includes costs and expenses incurred in producing and certifying any particulars or details required by the

Company during the formulation of a claim under the Policy, limited to:

(a) additional fees paid to the Insured's usual auditors,

(b) additional wages or salaries paid to the Insured's own employees; (c) cost of materials used.

DEPARTMENTAL CLAUSE

If the business be conducted in departments the independent trading results of which are ascertainable, the provisions of clauses (a) and (b) of the item(s) on Insured Standing Charges only shall apply separately to each department affected by the Damage except that if the Sum Insured by the said item(s) be less than the aggregate of the sums produced by applying the rate for each department of the business (whether affected by the Damage or not) to its relative Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

SALVAGE SALE CLAUSE

If following Damage giving rise to a claim under this Policy, the Insured shall hold a salvage sale during the Indemnity Period, clause (a) of the Item on Insured Standing Charges only shall, for the purposes of such claim, read as follows:

(a) IN RESPECT OF REDUCTION IN TURNOVER - The sum produced by applying the rate applicable to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the Standard Turnover, from which sum shall be deducted the Standing Charges actually earned during the period of the salvage sale.

SPECIFICATION ATTACHING TO THE WORKING EXPENSE POLICY WORDING

WORKING EXPENSES - Sum Insured - (as stated in the Schedule)

The Insurance hereby is limited to loss of working Expenses due to (a) REDUCTION IN TURNOVER and (b) INCREASE IN COST OF WORKING and the amount payable as indemnity thereunder shall be:

(a) IN RESPECT OF REDUCTION IN TURNOVER - The sum produced by applying the RATE OF WORKING EXPENSES 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 (subject to the provisions of the Uninsured Standing Charges Clause) 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 WORKING EXPENSES 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 to WORKING EXPENSES as may cease to be reduced in consequence of the Damage;

provided that if the SUM INSURED by this item be less than the sum produced by applying the RATE OF WORKING EXPENSES to the ANNUAL TURNOVER (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

DEFINITIONS

"Indemnity Period" - The period beginning with the occurrence of the Damage and ending not later than the Maximum Indemnity Period as specified in the Schedule during which the results of the business shall be affected in consequence of the Damage.

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

"Working Expenses: - The amount by which

(i) the sum of the amount of the TURNOVER and the amounts of the closing stock and work in progress shall exceed

(ii) the sum of the amounts of the opening stock and work in progress and the net profit and the amount of the SPECIFIED UNINSURED WORKING EXPENSES

The amounts of the opening and closing stocks and work in progress shall be arrived at in accordance with generally accepted accounting practice.

"Net Profit" - The net profit (exclusive of all capital receipts and accretions, and all outlay properly chargeable to capital) resulting from the business of the Insured 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.

"Specified Uninsured Working expenses" - As detailed on page 2 of the Schedule.

The words and expressions used in this definition (other than wages) shall have the meaning usually attached to them in the books and accounts of the Insured**.**

"Rate of Working Expenses" – The RATE OF WORKING EXPENSES earned on the TURNOVER during the financial year immediately before the date of the Damage

"Annual Turnover" – The TURNOVER during the twelve months immediately before the date of Damage.

"Standard Turnover" – The TURNOVER during the period in the twelve months immediately before the date of the Damage which corresponds with the INDEMNITY PERIOD

To which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations in 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 shall 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.

ALTERNATIVE TRADING CLAUSE

If during the INDEMNITY PERIOD goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the Insured or by others on his behalf the money paid or payable in respect of such sales or services shall be brought into account in arriving at the TURNOVER during the INDEMNITY PERIOD.

UNINSURED STANDING CHARGES CLAUSE

If any STANDING CHARGES of the business be not insured by the Policy (having been deducted in arriving at the working expenses as defined herein then in computing the amount recoverable hereunder as INCREASE IN COST OF WORKING, that proportion only of the additional expenditure shall be brought into account which the WORKING EXPENSES bear to the sum of the WORKING EXPENSES NET PROFIT and the UNINSURED STANDING CHARGES.

REBATE CLAUSE (Applicable only if the Sum Insured Exceeds R1 000 000)

The premium paid hereon may be adjusted on receipt by the Nominated Insurer of a declaration of Working Expenses earned during the financial year most nearly concurrent with the Period of Insurance, as certified by the Insured's auditors. If any damage shall have occurred giving rise to a claim for loss of Working Expenses, the abovementioned declaration shall be increased by the Nominated Insurer for the purpose of premium adjustment by the amount by which the Working Expenses were reduced during the financial year solely in consequence of the Damage.

If the declaration (adjusted as provided for above and proportionately increased where the Maximum Indemnity Period exceeds 12 months) is less than the Sum Insured on Working Expenses for the relative Period of Insurance Sasria will allow a return of premium not exceeding 50% of the premium paid, by recalculating the premium in accordance with such declaration.

This Clause will have no effect unless a certified declaration is received by the Nominated Insurer within six months of the expiry of the Period of Insurance.

CLAIMS COST CLAUSE

This insurance includes costs and expenses incurred in producing and certifying any particulars or details required by the Company during the formulation of a claim under the Policy, limited to:

(a) additional fees paid to the Insured's usual auditors,

(b) additional wages or salaries paid to the Insured's own employees;(c) cost of materials used.

DEPARTMENTAL CLAUSE

If the business be conducted in departments the independent trading results of which are ascertainable, the provisions of clauses (a) and (b) of the item(s) on Working Expenses shall apply separately to each department affected by the Damage except that if the Sum Insured by the said item(s) be less than the aggregate of the sums produced by applying the Rate of Working Expenses for each department of the business (whether affected by the Damage or not) to its relative Annual Turnover (or to a proportionately increased multiple thereof where the Maximum Indemnity Period exceeds twelve months) the amount payable shall be proportionately reduced.

SALVAGE SALE CLAUSE

If following Damage giving rise to a claim under this Policy, the Insured shall hold a salvage sale during the Indemnity Period, clause (a) of the Item on Working Expenses shall, for the purposes of such claim, read as follows:

IN RESPECT OF REDUCTION IN TURNOVER - The sum produced by applying the rate of working expenses to the amount by which the Turnover during the Indemnity Period (less the Turnover for the period of the salvage sale) shall, in consequence of the Damage, fall short of the Standard Turnover, from which sum shall be deducted the Working Expenses actually earned during the period of the salvage sale.

Sasria SOC Limited
P.O. Box 653367, BENMORE, 2010
36 Fricker Road, Illovo, Sandton, 2196
Tel: +27 11 214 0800 or 086 172 7742 (Switchboard)
Reg. No.1979/000287/30
VAT Reg. 4140119340
FSP License No.: 39117

DISCLOSURE NOTICE TO NON-LIFE (SHORT-TERM) INSURANCE POLICYHOLDERS IN TERMS OF THE FINANCIAL ADVISORY AND INTERMEDIARY SERVICES (FAIS) ACT 37 of 2002

(This Notice does not form part of your insurance policy)

<table>
<tr><td colspan="4">Insurer: Sasria SOC Limited
Sasria SOC Ltd (“Sasria”) is an authorised Financial Services Provider (FSP) registered under FSP number 39117.</td></tr>
<tr><td>Postal Address

P.O Box 653367,
Benmore, 2010</td><td>Physical Address

36 Fricker Road,
Illovo, Sandton,
2196</td><td>Telephone Number

(011) 214 0800 or
086 172 7742</td><td></td></tr>
<tr><td colspan="4">Relevant Insurance Cover Held: Yes</td></tr>
<tr><td colspan="4">Financial Products: Non-Life Commercial & Personal Lines</td></tr>
<tr><td colspan="4">Conflict of Interest Policy: Sasria has adopted a Conflict of Interest Management Policy to avoid and mitigate any potential conflicts of interest. The policy is available at www.sasria.co.za</td></tr>
<tr><td rowspan="2">Compliance Officer

Mr. Mziwoxolo Mavuso

Tel: 011 214 0800</td><td rowspan="2">All Complaints and Compliance related queries to be addressed to:

Compliance Officer
Sasria SOC Limited
P.O Box 653367,
Benmore, 2010</td><td rowspan="2">Claims Notification Procedures:

In the event of a claim, all relevant documents relating to your claim must be submitted to the Agent Company, the name and address of whom appears below.</td><td>Email Address:

mziwoxolom@sasria.co.za or
contactus@sasria.co.za</td></tr>
<tr><td>Website: www.sasria.co.za</td></tr>
<tr><td colspan="4">If you have any claims and compliance-related issues that have not been resolved to your satisfaction by Sasria, you may address your queries to:</td></tr>
<tr><td>National Financial Ombud Scheme</td><td>NFO Cape Town
6th Floor, Claremont
Central building,
6 Vineyard Road,
Claremont
Cape Town,
7700

NFO Johannesburg
110 Oxford Rd,
Houghton Estate,
Johannesburg, 2198</td><td>Telephone:0860-800-900

WhatsApp:066 473 0157</td><td>Email: info@nfosa.co.za

Website: www.nfosa.co.za</td></tr>
</table>

FAIS Ombudsman	**Postal Address:** PO Box 41 Menlyn Park 0063 **Physical Address:** Menlyn Central Office Building, 125 Dallas Avenue, Waterkloof Glen, Pretoria, 0010	**Telephone:** 012 762 5000 **Share Call:** 086 066 3274	**Email:** info@faisombud.co.za **Website:** www.faisombud.co.za
Financial Sector Conduct Authority	**Postal Address:** PO Box 35655, Menlo Park, 0102 **Physical Address:** 41 Matroosberg Road Ashlea Gardens, Pretoria, 0002	**Telephone: 012 428 800** Switchboard: 0800 20 37 22 **Fax:** 012 346 6941	**Email:** info@fsca.co.za **Website:** www.fsca.co.za

ABOUT YOUR SASRIA COUPON/ POLICY

Name and Address of Sasria Agent Company	This is the underlying Insurer who issue your Sasria Coupon/ Policy on behalf of Sasria SOC Limited
Details of Policy	Cover is provided in respect of all classes of business as per the underlying policy, subject to those classes insurable by Sasria.
Premium R **Frequency of Premium** **Payments Manner of Premium** **Payments Due date for**	These details are reflected in the quotation, in the policy schedule and in the Disclosure Notice forming part of disclosure for the underlying policy
Consequences of Non-payment of Premium	Cover will cease in the event of the policyholder failing to pay premium. Please refer also to the Disclosure Notice document which provided further details as to premium and monetary obligations.

Sasria is striving for excellence. Should we fail to deliver on our service promises or for any complaints, you can send an email to: contactus@sasria.co.za