

FIRE

Defined events

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

1. fire
2. lightning or thunderbolt (but specifically excluding power surge unaccompanied by lightning or thunderbolt)
3. explosion
4. deliberate or wilful or wanton act of any person committed with the intention of causing such loss or damage but excluding loss or damage caused by or arising from theft or any attempt thereat, provided that this does not cover:
 - a. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured
 - b. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation
 - c. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
 - d. loss or damage related to or caused by any occurrence referred to in General Exception 1 A a, b, c, d, e or f, of this Policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence. If We allege that by reason of provisos a, b, c or d, loss or damage is not covered by this section, the burden of proving the contrary shall rest on You.
5. bursting, overflowing or escape of water or oil from tanks, apparatus or pipes including any fixed water or oil-fired heating installation including damage to such tanks, apparatus or pipes but excluding damage as a result of wear and tear and gradual deterioration.

Loss of or damage to fixed water heating installations, such as geysers will be limited to the amount as stated in the schedule, per event

Specific exceptions

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

Any damage happening during the existence of abnormal conditions (whether physical or otherwise) which are occasioned by or through or in consequence, directly or indirectly, of any of the said occurrences shall be deemed to be damage which is not covered by this insurance, except to the extent that You shall prove that such damage happened independently of the existence of such abnormal conditions. In any action, suit or other proceedings where We allege that, by reason of this exception, any damage is not covered by this insurance, the burden of proving the contrary shall be on You.
2. Unless specifically included, this insurance does not cover:
 - a. damage to property occasioned by its undergoing any heating or drying process
 - b. damage to property which at the time thereof is insured by or would, but for the existence of this insurance, be insured by any marine policy(ies), except in respect of any excess beyond the amount which would have been payable under the marine policy(ies) had this insurance not been effected.

Specific conditions

Average

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

Welding

It is a condition of this policy that You warrant that welding shall take place in a cordoned off area, which is not in close proximity to combustible material

Spray painting

It is a condition of this policy that You warrant that the spray painting shall only take place in a fully concealed fire-resistant spray booth and You further warrant that whilst spray painting is in process the spray booth will be fully concealed and will in no way communicate with the remainder of Your premises.

Spray booth

It is a condition of this policy that You warrant that the warming up and or operation of the spray booth shall be supervised at all times by an employee of Yours.

You warrant that the heating system of the spray booth will be serviced on an annual basis and proof thereof shall be provided to the insurer on request.

Open fires

It is a condition of this policy that You warrant that no open fires will be made or allowed to be made in places other than designated fire places which are in compliance with applicable statutes, regulations and by-laws.

Housekeeping

It is a condition of this policy that You warrant that flammable liquids, spills and general waste will be cleared on a daily basis from the workshop areas and on a weekly basis from Your premises

Woodworking

It is a condition of this policy that:

- a. all woodworking waste is swept up and removed from the building(s) daily before closing
- b. no impregnation or preservation of timber is done involving the use of inflammable liquids having a flash point less than 79 degrees centigrade
- c. no polishing or paint spraying involving the use of inflammable liquids having a flash point less than 38 degrees centigrade is done
- d. no upholstering is done and no upholstering materials stored
- e. no drying seasoning or conditioning of timber by artificial heat is done
- f. all waste is swept up and removed from the kiln(s) after the conditioning drying or seasoning of each load of timber.

Clauses and extensions**Additional perils**

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

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

Earthquake extension

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

Special perils extension

Damage caused by:

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

This extension does not cover:

1. wear and tear or gradual deterioration
2. damage caused or aggravated by:

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- a. leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in buildings containing property insured hereby
 - b. subsidence or landslip
 - c. Your failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any damage.

Leakage extension (if stated in the schedule to be included)

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

If a first loss limit is shown against this additional peril in the schedule, the amount of such limit shall be Our maximum liability in respect of anyone event and, for the purposes of this extension only, the following shall be substituted for the average condition hereinbefore expressed:

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

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

Subsidence and Landslip extension limited cover

1. Sub-section A Property, is extended to include loss of or damage to the building caused by subsidence or landslip of the land supporting the building, or heave, provided that such loss or damage is not caused by or does not arise from:
 - a. normal settlement, shrinkage or expansion of the building
 - b. alterations, additions or repairs to the building
 - c. the compaction or infill
 - d. defective or faulty design, materials or workmanship
 - e. excavations other than mining operations
 - f. contraction and/or expansion of soil, clay or similar types or moist or damage
 - g. removal or weakening of support to the building
 - h. buildings constructed on dolomite sites.

Excluded Cover:

Loss or damage to the following is automatically excluded:

- a. swimming pools and surrounds, tennis courts, terraces, patios, paths, driveways, septic or conservancy tanks, drains, water courses, walls, dame walls, canal walls, gates, posts and fences, retaining and screening walls unless the building is damaged at the same time by the same event
- b. solid floor slabs or any part of the building resulting from the movement of such slabs unless the foundation supporting the external walls of the building are damaged by the same cause at the same event
- c. consequential loss whatsoever
- d. damage existing at commencement of cover.
2. No cover is provided for work necessary to prevent further loss or damage due to subsidence, landslip or heave except where appropriate design precautions are implemented during the original construction of the building and any subsequent additions thereto.
3. You shall be responsible for the first amount payable as stated in the schedule for each and every occurrence giving rise to a claim.

You may be required to prove that the loss or damage being claimed for was caused by subsidence and/or landslip or heave

Subsidence and landslip extension extended cover (if stated in the schedule to be included)

Damage caused by subsidence or landslip,

provided that You shall bear the first portion of each and every claim up to the amount stated in the schedule.

This extension does not cover:

1. damage to drains, water courses, boundary walls, garden walls, retaining walls, dam walls, canal walls, gates, posts or fences unless specifically insured
2. damage caused by or attributable to:
 - a. faulty design or construction of, or the removal or weakening of support to, any building situated at Your premises
 - b. workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises
 - c. excavation on or under land other than excavations in the course of mining operations.

3. ~~consequential loss of any kind whatsoever except loss of rent when specifically insured under this section.~~

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

Malicious damage extension

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

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

provided that this extension does not cover:

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

If We allege that, by reason of proviso a, b, c, d or e, loss or damage is not covered by this section, the burden of proving the contrary shall rest on You.

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

During the period of the initial un-occupancy of 30 consecutive days, You shall become a co-insurer with Us and shall bear a proportion of any damage equal to 20% of the claim before deduction of any first amount payable.

Riot and strike extension

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

- a. civil commotion, labour disturbances, riot, strike or lockout
 - b. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in a, above,
- provided that this extension does not cover:
- a. loss or damage occurring in the Republic of South Africa and Namibia
 - b. consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured
 - c. loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation
 - d. loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority
 - e. loss or damage related to or caused by any occurrence referred to in General exception 1 A, b, c, d, e, or f, of this policy or the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any such occurrence.

If We allege that, by reason of proviso a, b, c, d or e, loss or damage is not covered by this section, the burden of proving the contrary shall rest on You.

Rent clause (if insured under column 2)

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

by a defined event.

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

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

Designation of property clause

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

All other contents clause

The term all other contents referred to in the definition of property under column 3 of the schedule includes, but is not restricted to personal effects, tools and pedal cycles, the property of Yours or directors or employees of Yours **in so far as such property is not otherwise insured.**
The benefit under this extension is limited to the amount stated in the schedule for anyone individual in respect of property lost or damaged whilst on Your premises.

Limitations clause

Our liability under column 3 of the schedule is restricted in respect of:

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

Alterations and misdescription clause

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

Silent risk clause

Where any part or the whole of Your premises shall cease to be occupied by You for the purpose of the business as a going concern, **the insurance cover is suspended unless the Underwriters have been notified of this and accepted by Underwriters in writing.**

Architects' and other professional fees clause

The insurance under columns 1 and 3 of the schedule includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 20 per cent of the amount payable in respect of such damage and provided that the total amount recoverable shall not exceed the sum insured on the property affected. **The amount payable in respect of such fees shall not include expenses incurred in connection with the preparation of Your claim.**

Capital additions clause

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

Cost of demolition and clearing and erection of hoardings clause

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

We will not pay for any costs or expenses:

1. **incurred in removing debris** except from the site of such property destroyed or damaged and the area immediately

adjacent to such site

2. arising from pollution or contamination of property not insured by this policy/section.

Fire extinguishing charges clause

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

Mortgagee clause

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

Municipal plans scrutiny fee clause

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

Public authorities' requirements clause

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

provided that:

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

Railway and other subrogation clause

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

Reinstatement value conditions clause

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

provided that:

1. the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to requirements of Yours subject to Our liability not being thereby increased) must be commenced and carried out with reasonable despatch, **otherwise no payment, beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein, shall be made**
2. until expenditure has been incurred by You in replacing or reinstating the property, **We shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein**

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3. if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in replacement or reinstatement if the whole of Your property had been damaged, exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then You shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each item of this section (if more than one) to which these conditions apply shall be separately subject to this provision.
4. these conditions shall be without force or effect if:
- You fail to intimate to Us within six months of the date of damage or such further time as We may in writing allow, his intention to replace or reinstate the property
 - You are unable or unwilling to replace or reinstate the property on the same or another site.

Alternative replacement conditions (design capacity) clause

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

provided that:

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

Temporary removal clause

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

provided that:

- unless such temporary removal is for the purpose of cleaning, renovation, repair or similar process, Our liability c shall not exceed 20 per cent of the sum insured applicable to any item
- the amount payable under this clause shall not exceed the amount that would have been payable had the loss occurred on the part of the premises from which the property is temporarily removed.

Tenant's clause

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

Stock declaration conditions (if stated in the schedule to be included)

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

- You shall:
 - declare to Us in writing the market value of their stock and materials in trade on the last day of each month/quarter (as stated in the schedule) and shall make such declaration within 30 days thereof, otherwise they shall be deemed to have declared the sum insured on such property as the market value thereof
 - after each period of twelve consecutive months from the inception or anniversary date, the premium shall be calculated on the average sum insured, namely the total of the values declared or deemed to have been declared, divided by the number of declarations due to have been made. If the resultant premium differs from the provisional premium, the difference shall be payable by or to You as the case may be, but the amount payable by Us shall not exceed 50 per cent of the provisional premium.
- any claim hereunder shall be settled on the basis of the market value immediately anterior to the damage
- if, after the occurrence of damage, it is found that the amount of the last declaration is less than the amount that ought to have been declared, then the amount which would have been recoverable by You shall be reduced in such proportion as the amount of the said declaration bears to the amount that ought to have been declared or to the sum insured, whichever is the lesser amount. The provisions of this condition shall, if applicable, operate cumulatively with the provisions of the specific condition relating to average
- in consideration of the insurance not being reduced by the amount of any loss, You shall pay additional premium on the amount of the loss from the date thereof to expiry of the period of insurance and such extra

premium shall not be taken into account in, and shall be distinct from, the final adjustment premium

5. Our liability shall not exceed the sum insured as stated in the schedule and premium shall not be receivable on values in excess thereof
6. the above specific conditions shall apply separately to each item of the specification to which these stock declaration conditions apply.

Public supply connections clause

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

Escalator clause extension (if stated in schedule to be included)

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

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

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

Disposal of salvage clause

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

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