

POLICY WORDING

Underwritten by
RMB Structured Insurance Ltd (RMBSI)
(Registration Number 1952/000436/06)

Administered by Heavy Commercial Vehicle Underwriting Managers (Pty) Ltd (HCV),
(Registration Number 1995/010667/07). HCV is a licensed Financial Services Provider Licence Number 9853,
and an authorised intermediary of RMB Structured Insurance Limited,
(Registration Number 1952/000436/06, FSP Number 1027)

THIS POLICY INCLUDES CONSENT TO THE DISCLOSURE OF PRIVATE UNDERWRITING AND CLAIMS INFORMATION IN GENERAL CONDITIONS CLAUSE 16

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PREAMBLE

In consideration of and conditional upon the receipt of the Premium stated in the Schedule on the due date, RMB Structured Insurance Ltd ("RMBSI") ("the Insurer"), represented by Heavy Commercial Vehicle Underwriting Managers (Pty) Ltd ("HCV"), agrees to indemnify or compensate the Insured by payment or at the Insurers option by replacement or repair (or any combination of payment, replacement or repair) through a supplier or repairer of it's choice, in respect of the Defined Events occurring during the Period of Insurance, subject to the terms, conditions, exceptions, endorsements, excesses and sums insured and/or cover amounts specified in this policy. The Schedule, the Proposal Form, the Policy Wording, all Endorsements to the policy and all documents supplied by the Insured as requested by HCV in connection with the insurance, constitute the contract of insurance between the Insurer, and the Insured.

DEFINITIONS

1. Occurrence

The term occurrence shall mean any event or series of events arising from a single cause in connection with any vehicle or vehicles in respect of which indemnity is provided by this insurance.

2. Vehicle

The term vehicle shall mean:

- a. heavy commercial vehicles as described in the Schedule;
- b. special type vehicles as described in the Schedule;
- c. trailers as described in the Schedule i.e. any vehicle without means of self propulsion designed to be drawn by a self propelled vehicle, but excluding any parts or accessories not permanently fitted thereto;

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- d. private type motor cars (including station wagons, safari vans, estate cars, LDV's, 4x4's, 4x2's and the like or similar vehicle designed to seat not more than nine persons including the driver), if specified on the Schedule;
 - e. mobile plant as specified on the Schedule;
- any such vehicle being owned by or hired or leased to the Insured, including any such vehicle temporarily operated by the Insured as replacement for any vehicle out of use for the purpose of overhaul, upkeep and/or repair provided that the Insurer's maximum liability shall not exceed the lesser of the market value of the replacement vehicle or the limit of indemnity of the replaced vehicle as stated in the Schedule.

SECTION I

Own Damage

Defined Events

Loss of or damage to any vehicle described in the Schedule and its accessories and spare parts whilst thereon. In addition, if the vehicle is disabled by reason of any insured loss or damage, the Insurer will pay the reasonable costs of protection and removal by an authorised towing contractor to the nearest repairers. The Insured may give instructions for repairs to be executed without the prior consent of the Insurer to the extent of but not exceeding R5 000 (five thousand Rand) provided that a detailed estimate is first obtained and immediately forwarded to the Insurer. The Insurer will also pay the reasonable cost of delivery of the repaired vehicle to the permanent address of the Insured.

Provided that:

1. The sum insured for each insured vehicle is as stated in the Schedule which shall be the maximum amount payable by the Insurer in respect of such loss or damage, but it shall not exceed the reasonable market value of the vehicle and its accessories and spare parts at the time of such loss or damage.
2. If to the knowledge of the Insurer, following a total loss to the insured vehicle caused by theft or accidental damage, the vehicle is the subject of a credit or similar agreement the Insurer may first make payment to the financial institution in which event, should the amount due to them be equal to or in excess of the sum insured limit of indemnity, payment of the sum insured less the applicable excess, will constitute a full and final discharge to the Insurer of its obligations in respect of such loss or damage.
3. In respect of each and every occurrence giving rise to a claim under this section, the Insured shall be responsible for the excess stated in the Schedule (according to the type of vehicle).
4. The Insurer shall not be liable to indemnify the Insured in respect of any accessories not supplied by the manufacturers of the vehicle when new, unless such accessories are separately specified in the Schedule.
5. In the event of any part, accessory or fitment needed to repair or replace damage to the vehicle being unprocurable in South Africa as a standard (ready – manufactured) article, the liability of the Insurer shall be met by payment of a sum equalling the value of such a part at the time of the loss or damage, but not in any case exceeding the makers' latest list price.
6. The Insurer shall not be liable to indemnify the Insured in respect of costs of removal and protection of the vehicle, including storage charges, unless the towing contractor has been approved by the Insurer.
7. In the event of theft or hijacking the Insurer shall not be obliged to indemnify the Insured until the expiry of a period of 6 (six) weeks from the date of loss.
8. The Insurer shall be entitled to all salvage and recoveries in respect of claims settled on a total loss or constructive total loss basis, or as a result of theft or hijacking.

SECTION I

Exceptions

The Insurer will not be liable for:

1. Loss of or damage to goods or property in or on any insured vehicle.
2. Loss of or damage to tyres by the application of brakes or by road punctures, cuts or bursts.
3. Loss of or damage to cargo covers, ropes, nets or jacks.
4. Damage to springs, shock absorbers, chassis, and undercarriage as a result of inequalities or undulations of the road or other surface, or to impact with such inequalities or undulations.
5. Loss of or damage to windscreen, unless accompanied by other accident damage. This exception does not apply if windscreen cover is stated in the schedule.
6. Consequential loss as a result of any cause whatsoever.
7. Depreciation in value whether arising from repairs following a defined event or otherwise, or for any loss or damage arising from wear and tear, rust, corrosion, mildew, moth, vermin, insects, any gradually operating cause, process of dyeing, cleaning or renovating, the action of light or atmospheric conditions.
8. Mechanical, electronic or electrical breakdowns, failures or breakages, and any loss or damage caused, whether directly or indirectly, by such mechanical, electronic or electrical breakdowns, failures or breakages.
9. Loss of or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority.
10. Clean-up costs at the scene of any accident. This exception does not apply if debris removal cover is stated in the Schedule.

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11. Loss of or damage to any vehicle described in the Schedule whilst towing any other vehicle which has been disabled due to any damage, defect or other condition affecting the operation of such vehicle.
12. Loss of or damage to any vehicle described in the Schedule whilst being towed, as a result of its being disabled due to any damage, defect or other condition affecting the operation of such vehicle, unless the services of an authorised towing contractor are used.

OPTIONAL LIMITATIONS

Third Party, Fire and Theft Only Limitation (if stated in the Schedule to be applicable)

The liability of the Insurer under Section I is restricted solely to loss or damage resulting from fire, self-ignition, lightning or explosion or by theft or any attempted threat.

SECTION II

Liability to Third Parties

Defined Events and Limits of Indemnity

Any accident caused by or through or in connection with any vehicle described in the Schedule in respect of which the Insured becomes legally liable to pay any sum including claimant's cost and expenses in respect of:

1. Death of or bodily injury to any person, but excluding death of or bodily injury to any person in the employ of the Insured arising directly or indirectly from such employment or being a member of the same household as the Insured or the household of any partner in or director of or holder of a member's interest in the Insured.
2. Damage to property other than property belonging to the Insured or held in trust by or in the custody or control of the Insured or being conveyed by, loaded onto or unloaded from the insured vehicle.

Provided that:

- a. claims relating to any person carried as a passenger in, or entering or alighting from, any vehicle described in the Schedule will be subject to the limit of indemnity stated in the Schedule for Authorised Passenger Liability;
- b. claims relating to any person carried as a passenger in, or entering or alighting from, any vehicle described in the Schedule, in contravention of the Insured's instructions to their driver not to carry passengers, will be subject to the limit of indemnity stated in the Schedule for Unauthorised Passenger Liability;
- c. passenger liability cover shall only apply in respect of persons carried in, or entering or alighting from, a permanently enclosed passenger carrying compartment of the vehicle;
- d. all other claims in connection with death of or bodily injury to any person and damage to property, will be subject to the limit of indemnity stated in the Schedule for Third Party Liability;
- e. the total of the Insurer's liability under this section in respect of any one occurrence shall not, irrespective of the number of claims, exceed the applicable limit or limits of indemnity stated in the Schedule.

The Insurer will also, in terms of and subject to the limitations of and for the purposes of this section:

1. Pay all costs and expenses incurred with the Insurers written consent and shall be entitled at the Insurers discretion to arrange for representation at any inquest or enquiry in respect of any death which may be the subject of indemnity under this section or for defending in any Magistrate's Court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this section, provided that the total of the Insurer's liability under both this extension and the relevant defined event above shall not exceed the limit of indemnity stated to apply to the relevant defined event.
2. Indemnify any person who is driving or using such vehicle on the Insured's order or with the Insured's permission provided that:
 - a. Such person shall as though he were the Insured observe fulfil and be subject to the terms and conditions of this insurance insofar as they can apply;
 - b. Such person driving such vehicle has not been refused any motor insurance or continuance thereof by any Insurer;
 - c. Indemnity shall not apply in respect of claims made by any member of the same household as such person;
 - d. Such person is not entitled to indemnity under any other policy except in respect of any amount not recoverable within that policy;
 - e. Such person will not be indemnified in respect of any claims arising from death or bodily injury to any person conveyed as a passenger in, or entering or alighting from, any vehicle described in the Schedule, in contravention of the Insured's instructions not to carry passengers.

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SECTION II

Exceptions

The Insurer shall not be liable under this section in respect of:

1. So much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance legislation. This limitation applies regardless of whether the applicable legislative fund is unable to or incapable of providing compensation.
2. Liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of or attached to or used in connection with a vehicle or anything manufactured by or contained in any such tool or plant. This exclusion shall not apply to forklift trucks.
3. Liability arising from the load or any part thereof falling off any vehicle described in the Schedule or any trailer not described in the Schedule but attached to a vehicle described in the Schedule.
4. Liability arising from any vehicle described in the Schedule whilst towing any other vehicle which has been disabled due to any damage, defect or other condition affecting the operation of such vehicle.
5. Liability arising from any vehicle described in the Schedule whilst being towed, as a result of it's being disabled due to any damage, defect or other condition affecting the operation of such vehicle, unless the services of an authorised towing contractor are used.
6. A vehicle in the care, custody and control of the motor trade (for any purpose other than in connection with normal maintenance, service or repair).

Extensions

1. **Contingency Liability Extension** (if stated in the Schedule to be included)

The indemnity under Section II shall include claims made against:

- a. the Insured in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not the property of nor provided by the Insured while being used by any partner or any director or employee of the Insured (hereafter in this extension referred to as **such person**);
- b. any such person in the event of an accident arising in the course of the business and caused by or through or in connection with any motor vehicle not belonging to him nor to the Insured nor leased nor hired by either of them, but only insofar as such person has not been refused any motor insurance or continuance thereof by any insurer and not if such person is entitled to indemnity under any other policy.

Provided that:

- 1.1 The Insured or any such person is not entitled to indemnity under any other policy.
- 1.2 All the words in (2) of Section II Exceptions are deleted.
- 1.3 The Insurer shall not be liable for loss of or damage to any motor vehicle being used for the purposes and in the manner described in (a) and (b) above.
- 1.4 The payment by the Insured of subsidies or travelling allowances to such person for the use of his own vehicle for official purposes of the Insured, including the carriage of persons for such purposes, is allowed without prejudice to the insurance by this extension.
- 1.5 If at the time of the occurrence of any accident giving rise to a claim under this extension the Insured or such person is entitled to indemnity under any other policy in respect of the same occurrence, the Insurer shall not be liable to make any payment hereunder except in respect of any excess beyond the amount payable under such other policy.
- 1.6 The terms exceptions and conditions of this policy shall otherwise apply.

2. **Parking Facilities and Movement of Third Party Vehicle** (if stated in the Schedule to be included)

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

- a. with the authority of any tenant, customer or visitor of the Insured or;
- b. in connection with the Insured's parking arrangements or;
- c. to facilitate the carrying out of the Insured's business

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

3. **Waiver of Subrogation Rights**

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

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SECTION III

Goods in Transit (Insured's Property)

Defined Events

Loss of or damage to the whole or part of the load described in the schedule, owned by the Insured or acquired by the Insured on terms attaching the risk of loss or damage to the insured, in the course of transit by vehicle as stipulated on the schedule, and caused by any accident or misfortune not otherwise excluded.

Third Party Property

Shall mean property described in the schedule which is owned by a third party, including the consignor or consignee, or property in respect of which the third party bears the risk of loss or damage.

Subject Matter

The subject matter shall include all packaging material when necessary for commercial purposes, but excludes ropes, chains, tarpaulins and shipping containers.

Average

If the subject matter insured is at the commencement of any loss or damage to such subject matter as a result of an insured event of greater value than the cover amount thereon, then the Insured shall be considered as being their own Insurer for the difference and shall bear a rateable proportion of the loss accordingly. Every item, if more than one, shall be separately subject to this condition.

Basis of Indemnity

Except where otherwise provided in the Schedule, indemnification under this policy is limited to the cost price of the property described in the Schedule and/or replacement value, whichever is the lesser, but in all cases not exceeding the cover amount stated in the Schedule.

In the event of a claim for loss or damage to any part of property described in the Schedule which is not new, the amount recoverable hereunder shall not exceed such proportion of the cost of replacement of the part lost or damaged as the insured value bears to the value of new property.

The Insurer shall have the option to indemnify or compensate the Insured by payment in cash or by replacement, reinstatement or repair (or any combination of payment, replacement, reinstatement or repair) through a supplier or repairer of its choice.

The Insurer shall be entitled to all salvage and recoveries in respect of claims settled on a total loss or constructive total loss basis, or as a result of theft or hijacking.

Restricted Cover

Fire, explosion, collision and overturning limitation (if stated in the Schedule to be included)

The cover applicable in terms of this policy will be limited to loss or damage resulting from fire, explosion, collision of the conveying vehicle, overturning of the conveying vehicle, theft following any of these events and hijacking.

SECTION IV

Goods in Transit (Carrier's Liability)

Defined Events

Damages which the Insured as the carrier of the goods shall become legally liable to pay in respect of accidental loss of or physical damage to the whole or part of third party property (as defined) described in the Schedule occurring during the course of transit by a vehicle stipulated on the Schedule and whilst in the custody or control of the Insured.

Indemnification is limited to the cost price of the goods to the owner of the goods or replacement value or the market value or declared value or policy limit, which ever is the least, at the time of the loss.

POLICY LIMIT AND EXCESS (applicable to Section III and Section IV)

1. The Insured shall be responsible for the first amount payable stated in the Schedule in respect of each and every defined event.
2. The liability of the Insurer for all losses or damage arising from any one defined event shall not exceed the cover amount stated in the Schedule.
3. The cover amount in respect of each item stated on the Schedule is inclusive of VAT.
4. The cover amount specified in the Schedule will apply separately to each insured item, and are not cumulative.

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Memoranda (applicable to Sections III and IV)

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

EXTENSIONS

Debris Removal (applicable to Section III and Section IV)

If stated in the Schedule, this insurance is extended to cover, in addition to any other amount recoverable under this insurance, reasonable extra expenses (up to the cover amount stated in the policy schedule) legally incurred by the Insured for the removal and disposal of debris of goods conveyed, or part thereof, by reason of damage thereto caused by an insured risk. Excluding any expenses incurred in consequence of or to prevent or mitigate pollution or contamination.

Specific Exceptions (applicable to Section III and Section IV)

The Insurer shall not be liable for:

1. Loss or damage resulting from or caused by
 - a) theft from any unattended vehicle in the custody or control of the Insured or any principal, partner, director or employee of the Insured unless the property is contained in a completely closed and securely locked vehicle or the vehicle itself is housed in a securely locked building and entry to or exit from such locked vehicle or building is accompanied by forcible and violent entry to or exit from;
 - b) inherent vice or defect, vermin, insects, damp, mildew or rust;
 - c) the wilful misconduct or dishonesty of any principal, partner, director or employee of the Insured whether acting alone or in collusion with others;
 - d) detention, confiscation or requisition by customs or other officials or authorities;
 - e) or arising whilst in transit by sea or inland transit incidental thereto;
 - f) breakdown of refrigeration equipment
2. Wear and tear or gradual deterioration (including the gradual action of light or climatic or atmospheric conditions) unless following an accident or misfortune not otherwise excluded.
3. Loss or damage occurring due to inadequacy of securing or protecting or packing of the property insured.
4. Mechanical, electronic or electrical breakdown, failure, breakage or derangement of the insured property unless following an accident or misfortune not otherwise excluded.
5. Loss or damage to cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind.
6. Consequential loss of any kind, loss of market, depreciation or changes brought about by natural causes.
7. Loss or damage caused by delay.

Memoranda (applicable to all sections)

Description of Use Clause

Unless otherwise specified, use for the business or occupation of the Insured, excluding hiring, carriage of passengers for hire or carriage of fare paying passengers, towing of any vehicle which is damaged, defective or with other condition affecting the operation of such vehicle, towing for profit, racing, speed or other contests, rallies, trials, use in any other race, carriage of explosives or flammable liquids or other hazardous substances or carriage of any load or passengers exceeding the capacity or weight for which it is constructed or licensed to carry or use for any purpose in connection with the motor trade. The indemnity to the Insured in connection with any

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vehicle shall operate while such vehicle is in the custody or control of a member of the motor trade for the purposes of its overhaul upkeep or repair.

GENERAL EXCLUSIONS

The Insurers will not be liable for:

1. 1.1 Loss or destruction of or damage:
 - 1.1.1 To any property whatsoever or any loss or expense whatsoever resulting or arising there from or any consequential loss;
 - 1.1.2 Death, injury or any legal liability of whatsoever nature
Directly or indirectly caused by or contributed to by or arising from ionising radiations or Contamination by radio-activity from any nuclear fuel or from any nuclear waste of nuclear fuel. For the purpose of this exclusion only, combustion shall include any self-sustaining process of nuclear fission.
 - 1.2 Any loss, destruction, damage or legal liability directly or indirectly caused by, or contributed to by, or arising from nuclear weapons material.
2. Loss of or damage to property or bodily injury related to or caused by:
 - 2.1 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 these mentioned circumstances;
 - 2.2 War, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war;
 - 2.3
 - 2.3.1 Mutiny, military uprising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege;
 - 2.3.2 Insurrection, rebellion or revolution.
 - 2.4 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;
 - 2.5 Any act which is calculated or directed to bring about loss or damage or bodily injury, 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;
 - 2.6 Any attempt to perform any act referred to in Exclusion clauses 2.4 or 2.5 above;
 - 2.7 The act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in Exclusion clause 2 above.

If the Insurer alleges that, by reason of any of the Exclusions in clause 2 above, loss of/or damage is not covered by this policy, the burden of proving the contrary shall rest upon the Insured.

3. Loss of/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. No 85 of 1976 or any similar Act operative in any of the territories to which this Policy applies.
4. Notwithstanding any provision of this Policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exception, this Policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, arising out of or in connection with any act or terrorism regardless of any other cause or event contributing on currently or in any sequence to the loss, damage or expense.

For the purpose of this General Exclusion 4 an act of terrorism includes, without limitation, the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any organisation or group of persons, whether acting alone or on behalf of or in connection with any organisation or government or any other person or body of persons, committed for political, religious, personal, ethnic or ideological reasons or purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.

5. Notwithstanding any provision of this policy including any exclusion, exception or extension or other provision not included herein which would otherwise override a general exclusion, this policy does not cover:
 - 5.1 Loss or destruction of or damage to any property whatsoever (including a computer) or any loss or expense whatsoever resulting or arising therefrom;
 - 5.2 Any legal liability of whatsoever nature;
 - 5.3 Any consequential loss;
Directly or indirectly caused by or contributed to by or consisting of or arising from the incapacity or failure of any computer, correctly or at all:

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- 5.3.1 To treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with such date, or;
- 5.3.2 To capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such date, or;
- 5.3.3 To capture, save, retain or to process any information or code due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programmes, or;
- 5.3.4 To capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.

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

Where the loss, damage or liability is attributable to more than one proximate cause, this Exclusion will not apply if any other such cause is an insured peril.

In the event of the mechanical breakdown of any machinery, equipment or vehicle, the Insurers will not be liable for the replacement or repair or modification of any part of any computer equipment causing the event but will pay for any resultant loss, damage or liability covered under the policy.

- 6. Loss or damage resulting directly or indirectly from or in connection with any actual or purported exchange, cash or credit sale agreement including theft by false pretences and/or fraud.
- 7. The insurance for a Vehicle shall be void from the first inception date of this policy if any party other than the Insured has any right of ownership or of possession or the right to any vehicle under the policy, or if the Insured has no title to such Vehicle, by reason of such vehicle being stolen property.

SPECIFIC EXCLUSIONS

- 1. The Insurer shall not be liable for any accident, injury, loss, damage or liability:
 - a. whilst the vehicle is being used with the general knowledge and consent of the Insured, otherwise in accordance with the description of use clause;
 - b. incurred outside The Republic of South Africa, Botswana, Lesotho, Malawi, Namibia, Swaziland and Zimbabwe unless the Insurer has granted prior written permission to extend the territorial limits;
 - c. incurred while any vehicle is being driven by:
 - i. the Insured while under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself); or whilst the percentage of alcohol in the blood, irrespective of the manner of measurement, exceeds the statutory limit in terms of the applicable legislation; or while not licensed to drive such vehicle; or whose driver's licence has been endorsed for negligent, reckless or drunken driving or for driving while the percentage of alcohol in the blood exceeds the statutory limit; or who is not in possession of a valid Professional Driver's Permit as at the time of the occurrence;
 - ii. any other person with the general consent of the insured who to the insured's knowledge is under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself); or who to the insured's knowledge has a percentage of alcohol in the blood, irrespective of the manner of measurement, which exceeds the statutory limit in terms of the applicable legislation; or who is not licensed to drive such vehicle; or whose driver's licence has been endorsed for negligent, reckless or drunken driving or for driving whilst the percentage of alcohol in the blood exceeds the statutory limit; or who is not in possession of a valid Professional Driver's Permit as at the time of the occurrence.
 - d. in the event of the insured vehicle assessed separately, not being in a roadworthy condition, as defined in the legislation relating to roadworthiness, at the time of the loss;
 - e. in the event of the vehicle being operated without a valid Certificate of Fitness;
 - f. in the event of the vehicle being used without the Insured's knowledge and/or consent and the Insured has not laid a criminal charge within 48 (forty eight) hours, which charge shall not be withdrawn;

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- g. in the event of the vehicle carrying any load or passengers exceeding the load or number of passengers for which the vehicle was originally manufactured or that the vehicle is legally entitled to carry.
2. The Insurer shall not be liable for any claim arising from contractual liability, unless such liability would have attached to the Insured notwithstanding such contractual agreement.

SPECIFIC CONDITION

If during the currency of this policy any driver's licence in favour of the Insured or their authorised driver is endorsed, suspended or cancelled or if he or they shall be charged or convicted of negligence reckless or improper driving, notification shall be sent in writing to the Insurer immediately the Insured have knowledge of such fact.

GENERAL CONDITIONS

1. **Misrepresentation, Misdescription and Non-Disclosure**

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

2. **Other Insurance**

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

3. **Amendment and Cancellation**

This policy or any section thereof may be amended or cancelled by the Insurer by giving 30 (thirty) days notice (or such other period as may be mutually agreed upon) to the Insured, which notice shall be communicated in writing, by facsimile or by ordinary post, or by hand delivery to the Insured's last known address. Should the expiry date in terms of a cancellation by the Insurer occur during the course of a monthly term, the Insured shall be entitled to a pro rata refund of premium. The Insured shall be entitled to cancel the policy by giving 30 (thirty) days notice dependable on the existence of the specified insurable interest as per the policy schedule. This must be done in writing to the Insurer and may request an amendment to the policy which will only be valid once such amendment has been confirmed and agreed to by the Insurer in writing.

4. **Payments of Premium**

This is a monthly contract of insurance and premiums are payable monthly in advance on the due dates reflected on the Schedule. If any premium payment is not received on the due date reflected on the Schedule, no cover will exist for the period for which the premium was due and the policy/ies will lapse on the last day of the month in which premium was received. In the exceptional event that a debit order is rejected it will be resubmitted within 5 (five) working days but no later than the 19th of the specific month in which it rejected. Only one month's resubmission will be allowed in a continuous period.

5. **Prevention of Loss**

The Insured shall take all reasonable steps and precautions to prevent or minimise loss, damage, death, injury or liability.

6. **Warranties**

The Insured warrants that:

- a) the vehicle/s will at all times be maintained in efficient and roadworthy condition in accordance with the legislation relating to roadworthiness. This warranty shall apply to all insured vehicles irrespective as to whether or not a Certificate of Fitness has been issued for the vehicle.
- b) the vehicle/s have a valid Certificate of Fitness.
- c) the vehicle/s are fitted with a serviceable fire extinguisher.
- d) the vehicle/s will not carry any load exceeding the capacity or weight which is legally permissible for vehicles of that type in accordance with current legislation.
- e) all vehicle drivers are in possession of a valid driver's licence for the vehicle which is being driven.
- f) all vehicle drivers are in possession of a valid Public Driver's Permit.

7. **Material Alteration in Risk during the Time the Insurance is in Force**

If there is any material alteration in the nature or extent of the risk which the Insurer has accepted, whereby the risk to the Insurer is increased, the Insured shall disclose this alteration to the Insurer in writing as soon as reasonably practicable. The Insurer has the right on such notification to increase the premium or excess or amend the scope of cover or cancel the policy on due notice, as the case may be. Until the

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increased risk has been accepted by the Insurer, the Insurer will have no liability in respect of claims arising from the increased risk.

8. Claims

- a) no claim shall be payable if the Insured fails to:
 - i. notify the Police, the Tracking Company and the Insurer immediately, and in all cases within 1 (one) hour of knowledge or discovery of any incident involving theft, hijacking or the disappearance of any vehicle and/or load ;
 - ii. notify the Police within 48 (forty eight) hours of any other incident involving accident or loss of property;
 - iii. supply full details of the claim in writing as soon as reasonably possible, and in all cases within 30 (thirty) days of the happening of any event which may give rise to a claim;
 - iv. furnish full co-operation to the Insurer regarding the investigation of the claim;
 - v. furnish the Insurer such proofs, information and sworn declarations as the Insurer may require;
 - vi. forward to the Insurer immediately, but no later than 2 (two) working days, any notice of claim or any communication, summons or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.
- b) in the event of a claim being rejected the Insured may, within a period of not less than 90 (ninety) days, of the Insured or the Broker being informed of the decision not to entertain the claim, after the date of the relevant decision, make representations to the Insurer in respect of such decision. The Insured shall be entitled to an additional 90 (ninety) day period within which to serve legal process on the Insurer. Should the Insured fail to institute legal action against the Insurer within a period of 180 (one hundred and eighty) days from the date of rejection of liability, all benefits afforded under the policy in respect of such claim shall be forfeited.
- c) if after the payment of a claim in terms of this policy in respect of lost or stolen property, the property (the subject matter of the claim) or any part thereof is located, the Insured shall render all assistance in the identification and physical recovery of such property if called on to do so by the Insurer provided that the Insured's reasonable expenses in rendering such assistance shall be reimbursed by the Insurer. Should the Insured fail to render assistance in terms of this condition when called upon to do so the Insured shall immediately become liable to repay to the Insurer all amounts paid in respect of the claim.

9. Insurers Rights after an Event

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

10. Repatriation

If the vehicle and/or load are damaged outside the Republic of South Africa, the cost of repatriation will be borne by the Insured unless specifically authorised by the Insurer.

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11. Fraud

If any claim under this policy is in any respect fraudulent or if any fraudulent means or devices are used by the Insured or anyone acting on their behalf or with their knowledge or consent to obtain any benefit under this policy or if any event is occasioned by the wilful act or with the connivance of the Insured or any person acting on their behalf or with their knowledge or consent, all benefit afforded under this policy shall be forfeited and the Insurer shall be entitled to cancel the policy with effect from the date of inception or renewal thereof.

12. Jurisdiction

This policy is subject to South African law and to the jurisdiction of a competent South African court.

13. Breach of Conditions

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

14. No Rights to Other Persons

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

15. Arbitration

In the event of liability being accepted by the Insurer, but the quantum being in dispute, the Insurer shall be entitled, but not obliged, to refer the dispute to arbitration in accordance with the Rules of the Arbitration Foundation of South Africa.

16. Consent to Disclosure

The Insured acknowledges that the sharing of claims information and underwriting information (including credit information) by Insurers is essential to enable the Insurance Industry to underwrite policies and assess risks fairly and to reduce the incidence of fraudulent claims, in the public interest and with a view to limiting premiums. On behalf of the Insured and on behalf of any person the Insured represent herein, the Insured hereby waives any right to privacy in any insurance information provided by the Insured or on the Insured's behalf in respect of any insurance policy or claim made or lodged by the Insured and the Insured consents to such information being disclosed to any other insurance company or its agent. The Insured also acknowledges that the information provided by the Insured may be verified against other legitimate sources or databases. The Insured also waives any rights of privacy and consent to the disclosure of any information relevant to any insurance policy or claim concerning the Insured.

17. Insurable Interest

It is a condition precedent to cover that the Insured shall have an insurable interest in any Insured Vehicle insured in terms of this policy as at the date of the commencement of each period of insurance and at the date of the Insured Event. For the purpose of this condition, Insurable Interest shall mean that the Insured is the owner or alternatively *bona fide* possessor of the Insured Vehicle in terms of an enforceable credit agreement as defined in the Credit Agreements Act 75 of 1980 (as amended) alternatively, the National Credit Act 34 of 2005 entered into by the Insured with The Financial Institution. Should the Insured's Insurable Interest in the Insured Vehicle be other than those interests as set out above, the nature and extent of such interest shall be disclosed to the insurers prior to the inception of cover and the cover in respect of such Insured Vehicle shall only commence once acceptance thereof in terms of this policy is confirmed by the Insurers in writing. Should the Insured's insurable interest in any Insured Vehicle in terms of this policy change it is the Insured's obligation to notify the Insurers in writing of such change and any failure to do so may result in the claim being rejected.

18. Interest on Damages

No interest will be payable by the Insurer on any amount due in terms of this policy unless a South African Court of Law orders otherwise.

19. Statutes

The Parties agree that any terms of this policy which may be in conflict with any statute are amended to conform to such statute.