

# Well... Hi there neighbour

Community  
insurance policy  
document



[kingprice.co.za](http://kingprice.co.za)

*KingPrice*<sup>™</sup>  
INSURANCE

FSP no. 43862

PERSONAL ♦ BUSINESS ♦ SPECIALISED



# Here's what's inside

## Welcome to your very own King Price community insurance policy document

Welcome to our family	4
Your policy's ins & outs	5
The stuff you need to do	13
Our claims procedure	14
What's not covered by the king	19
T's & C's	22
What do we mean	25
Choice of cover	32
Buildings & common area contents	36
Machinery breakdown	63
Electronic equipment	67
Public liability	71
Office bearers' liability	75
Fidelity	80
Employers' liability	85
Group personal accident	88
Motor cover	90
Claims preparation costs	103
The king's geyser guard	104

# Our contact details

Sometimes the world of insurance can be a tricky path to navigate, so if you find yourself needing any assistance with your policy or have a question, please don't hesitate to contact us. You now officially have our royal service at your beck-and-call and we're eager to assist.

## If you need answers... Get in touch

Policy admin line	0860 11 11 07
Email	communitygeneral@kingprice.co.za
Online	kingprice.co.za
Submit a claim	communityclaims@kingprice.co.za

## We'd love to hear from you... Complaints or compliments

At King Price we may be super cheap and super efficient, but we're also super curious, and we want to make sure we're doing the best we can do. The king takes good service very seriously.

So, if your consultant made you feel royally spoiled, or if they just straight up spoiled your day, please don't hesitate to let us know.

**For either complaints or compliments, you can email the king directly, at [king@kingprice.co.za](mailto:king@kingprice.co.za)**

## Sasria contact details...

Phone	+27 11 214 0800/0861 72 77 42
Fax	+27 11 447 9630/0861 72 73 29
Reg no.	1979/000287/06
VAT no.	4140119340
FSP no.	39117
Email	contactus@sasria.co.za
Online	sasria.co.za
PO Box	653367, Benmore, 2010
Address	36 Fricker Road, Illovo, Sandton, 2196



**Please note: Refer to the attached Sasria policy documentation for further information.**

# Welcome to your very own King Price community insurance policy document

## Congratulations

### Your community is now under the protection of the king

Since you've already decided to join the King Price royal family, we realise that we don't have to tell you what a wise decision your community has made, but we still like to give credit where it's due!

If you're reading this, then you've probably been tasked with the job of sorting out everyone's insurance and assuring their peace of mind. With this great power comes great responsibility, and you'll probably feel the burden of that responsibility as you review this rather lengthy document. We sympathise, we really do.

We're not going to sugar coat it... It's long. It consists of 90 plus pages and while we've made every effort to make it as easy to read and understand as possible, it may be a good idea to grab a snack and something to drink before you dive into the details... You're going to be here for a while.

This document has been especially designed for you and your community. It explains all the ins and outs of your policy including the cover you enjoy based on the information you've given us, the finer details of your policy and all of your responsibilities. So please read through it carefully and check all the details on your policy schedule to make sure that you fully understand everything and that your details and choice of cover are 100%.

Remember, incorrect details = incorrect cover.

If anything is unclear, or should you need to update your information, don't hesitate to give us a call on 0860 11 11 07. We're eager to assist.

Royal regards



King Price  
0860 11 11 07  
communitygeneral@kingprice.co.za  
FSP no. 43862

# Your policy's ins & outs

## Why's this document so important

Well, because it contains all the important information explaining the ins and outs of your cover. We've made sure to leave out as much of the boring, complicated, confusing insurance lingo as we could, to allow you to get to grips with the basic facts as easily and as quickly as possible.

Ultimately, the choice is yours, so while this document will help you on the road to making your decision, its content is quite general, and doesn't take into consideration your personal objectives or financial situation. These kind of details we'll happily discuss with you in person over a cup of coffee, our treat.

## So, here's what you need to read

- What makes up your cover.
- Definitions of terms used.
- What's covered by the king.
- What's NOT covered by the king.
- Our claims procedure.
- Our excesses.
- Cancellation rights.
- Any schedules that we send to you.
- And any other documents we may give you.

## Cooling off period

It's always good to have a few days to let the dust settle. That's why we've been nice enough to include a 30 day cooling off period from the start or renewal date of your policy, pending the completion of our advisory process. This gives you enough time to familiarise yourself with all the details of your policy and to make sure that you're 100% happy and comfortable with its contents. This, we hope, will give you complete peace of mind when it comes to the cover that you're paying for.

Should you decide for any reason that this policy doesn't meet your needs, you can simply cancel it, in writing, within this 30 day period. No hard feelings.

From our side, we'll cancel the policy effective from the start date and give you a full refund, provided that you haven't yet registered any claims.

If for some reason you decide that you would like to cancel your policy after the 30 day cooling off period, you'll be entitled to a pro-rata refund, less a cancellation charge of the premium already paid. Which of course we'll easily arrange for you too.

## It's all about you

We've designed this policy to suit the insurance requirements of community schemes.

## By 'community schemes' we mean

- All body corporates.
- Home owners' associations.
- Share block investors' schemes.
- Retirement schemes.



**In a nutshell...** We've developed this cover into a neatly packaged 1 stop insurance solution, complete with a range of unique benefits, which we've specifically designed to make your life easier and to comply with all the legislation covering sectional title and community schemes living within South Africa.

## What makes up your policy

Your policy (contract) with us (King Price) consists of this policy wording, your policy schedule, all written correspondence and verbal agreements. You need to ensure that all the information on these documents is correct, as incorrect information may influence the validity of the contract and/or the outcome of your claim.

If anything (at all) is not 100% correct, please contact us immediately to have it updated.

Remember, incorrect details = incorrect cover.

**KPPD**  
**+ Schedule**  
**+ Written correspondence**  
**+ Recorded calls**



## **Our promise to you**

We agree to provide you with the cover set out in each of the policy sections that you've selected and that are stated on your policy schedule, subject to you having paid the premium.

This cover is active for the period of insurance set out on your policy schedule. We'll cover you for loss, damage and/or liability occurring during this period, provided you comply with all the terms and conditions of the policy.

We'll not pay more than the sum insured or limit of liability for each section as stated on your policy schedule, unless otherwise agreed.

## **Who's insured**

The body corporate, home owners' association or share block company shown as the 'insured' on your policy schedule, including the interest therein of members, owners, trustees, holders of rights of occupation and directors as far as this falls within the ambit of cover provided.

We'll extend the policy to cover other persons, organisations or institutions requiring cover under this policy, if you've advised us of them and they are stated on your policy schedule. All persons, organisations or institutions covered under this policy have to comply with the terms of the policy.

We may refuse to pay a claim or reduce the amount we do agree to pay, if you or any person covered by the policy doesn't comply with the terms of the policy.

Any extension providing cover to any person other than yourself will not give any rights to claim to this person, the intention being that you will claim on behalf of this person if need be.

## **Tenants**

If a tenant, without your knowledge or consent, does or omits to do anything which invalidates the policy, cover will not be affected provided that you:

- Notify us of this act or omission as soon as you become aware of it.
- Pay any additional premium relating to the change in risk, if required.



## **Mortgagees**

The interests of the mortgagee have priority over your interests and will not be prejudiced by:

- Any act or neglect of the insured (you) or any of the members, owners, holders of rights of occupation and directors.
- Any misrepresentation or non-disclosure by the body corporate or any of the owners of the units at the time when the insurance starts or is renewed during the period of cover.
- If the property is abandoned.
- The occupation thereof for purposes more hazardous than permitted by the policy.

Provided that:

- Such act, neglect, misrepresentation, non-disclosure, abandonment or occupation took place without the knowledge and privy of the mortgagee/s.
- The mortgagee/s will notify us of the event or existence of such act, neglect, misrepresentation, non-disclosure, abandonment or occupation, as soon as it has come to their attention.
- The mortgagee/s will on reasonable demand, pay the additional charge for any increased risk thereby caused according to the established scale of rates, for the time the increased risk may be, or will have been, assumed by us during the continuance of the insurance.
- Any compensation payable in terms of this section will be payable directly to the mortgagee/s of the particular unit in this section or the aggregate of the amounts due by the unit owner to the mortgagee under the mortgage bonds, whichever is the lesser.
- Any and all amounts becoming payable by us under this section as a result of damage to the buildings, improvements or landlord's fixtures and fittings will, unless resolved or ordered in terms of Section 36 of the Sectional Titles Management Schemes Act No. 8 of 2011, be wholly applied to the reinstatement of the damage. If it's resolved or ordered in terms of that section of the above-mentioned act, the damage or destruction should not be reinstated, the proceeds of any claim applicable to a unit will be made in the first place to the mortgagee/s of the particular unit up to the value allocated to the particular unit in this section or the aggregate of the amounts due by the unit owner to the mortgagee/s under their mortgage bonds whichever is the lesser. With regard to this clause, the specific condition of average will apply to the individual units (excluding the owner's interest in the land) and not to the property as a whole.

## **When it starts**

The commencement date (start date) of your cover is the date on which we agreed that the policy should start. The first premium must also be paid by this date. Your cover period can be monthly, quarterly, bi-annual or annual.

## **Countries where you're covered**

The cover herein applies to occurrences in connection with your insured property anywhere in South Africa.

## **Make sure you have all the cover that you need**

We think it's a good idea to chat to us about the appropriate cover amounts (sum insured) and risks (items) you need covered, so that together we can make sure that you have all the cover that you really need. We'd hate for you to be in the situation where you don't have enough cover for the relevant risks, leaving you vulnerable to any uninsured losses and seriously out of pocket.

You also need to let us know as soon as possible when your circumstances change and if these changes are relevant to your policy, because this will definitely have an impact on your cover... Especially when it comes to claiming.

For example, if you buy additional items that should be covered under common area contents cover and you don't tell us about these items, your sum insured may not be enough to cover the loss, or you might not even have any cover under your policy for these items.

Remember, incorrect details = incorrect cover.

## **Tell us**

To create your unique and specific policy and premium we rely completely on the information that you provide to us, whether you're applying for a new policy, renewing, updating, or even reinstating an existing policy. That's why it's vital that you tell us anything and everything you know, that could possibly affect the cover that we offer you and the premium we charge for it.

For example, the full and correct details of:

- Any claim/s that you have made.
- Any renewal or insurance policy declined, cancelled or refused, or where any excess was imposed.
- Any claim/s refused by an insurer.

You might be wondering where this all ends... Well, there's in fact an easy way to tell if there are things we don't need to know.

For example, you don't have to tell us about anything that:

- Minimises the risk we would undertake.
- Information that's common knowledge.
- Stuff that we already know, or in the ordinary course of business, that we should know.



**In a nutshell...** If you don't comply with your duty of disclosure, we may reduce or refuse to pay a claim or even worse be forced to cancel your policy with us. The non-disclosure may render the policy as never being in force at all. And that would be terrible if you had a legitimate claim. Remember, honesty is always the best policy.

## Crunching the numbers

So, how do we calculate your premium? Well, first we take a number of factors into account. The information that you provide to us plays a big role in assessing the risk that we accept to cover. The higher the risk, the higher the premium will be.

Some of the unique factors that make a difference are:

- The location of your property.
- The sum insured, which you'll choose.
- The materials used in the construction of your property.
- The number of sections or units that make up the risk.
- If your property contains commercial or residential sections, units or both.
- If your property contains commercial sections or units, the occupation thereof and their use.
- Your claims history.
- The security and fire preventative measures that you have in place.

After we've assessed all these factors, the total cost of your policy (your premium), will be displayed on your policy schedule, which includes Sasria, any commissions and/or fees applicable, and VAT.

## Paying your premium

Your policy will not start until you've paid your premium. We'll tell you on your policy schedule how much you have to pay and when you need to pay it by. The due date for payment will be the first day of each calendar month where the period of insurance is monthly, or on the first day of the first month of:

- Each quarter.
- Every 6 months.
- Every 12 months.

Where the period of insurance is for 3, 6 or 12 months respectively.

Unless we tell you otherwise, any payment reminder we send you doesn't change the expiry or due date.

**\* Please note: You always pay for insurance in advance.**

## And if you don't pay

Let's say your debit order is returned by your bank, and your insurance premium due to us isn't paid as a result of that:

- You'll have a grace period of 15 days from the due date to correct the situation and pay us. If this is a monthly policy, the 15 days' grace period will apply from the second month that you're insured with us.
- If no premium is collected during this period, the policy will be cancelled from the due date.
- Should any incident happen for which you want to claim during the 15 day grace period, the approval of the claim will only be considered once we've received your premium payment in full, and no later than the 15th day of the grace period.

So, to ensure continuous, peace of mind cover, please make sure that there's enough money in the bank account every month, on the date that you asked us to debit your premium.

**\* Please note: If we don't receive the payment for 2 consecutive deductions in a row, we'll immediately cancel your entire policy and you'll no longer enjoy cover. Remember, no premium = no cover.**

## Why your premium could change

Every year when your policy is renewed, your premium usually changes, even if your risk hasn't changed. The reason for this is because of factors that are sadly beyond our control, and that we have no choice but to take into consideration.

Some of these factors include:

- Inflation.
- Rising repair and building material costs.
- The total cost of claims which we've paid.
- The cost of claims we expect to still pay in the future.
- The on-going expenses that we incur whilst doing business.



## **How to apply for cover**

If you're interested in securing this insurance cover, just give us a call or drop us an email and we'll happily provide you with all the information and assistance that you need to make an informed and comfortable decision.

There's also the option of contacting your appointed managing agent, but please remember that they must be qualified to give advice on whether this policy is right for you, otherwise they're only allowed to provide the factual information about the policy.

## **Need a change**

You may make changes to your policy at any time by simply calling or emailing us. If you make changes to your policy, you may need to pay an additional premium, or you may be entitled to a refund.

Any change you make will be effective from the time and date agreed to. An updated policy schedule will then be sent to you. In such a case, please check that the changes were made just as you had requested.

Remember, incorrect details = incorrect cover.

King Price may also make changes to your policy as and when we deem it necessary to do so. When we do, we'll give you 30 days' notice.

## **If you want to leave us**

Let's hope that you never need to make use of this section, but just in case:

- You may cancel your policy at any time and with immediate effect. If you do, we'll refund the relevant portion of your premium, less any administrative cost, provided that no valid claims have been submitted for that period.
- We may also cancel your policy by giving you 30 days' notice. We would do so verbally, by email or by post to your last known address.
- Your policy will automatically cancel when your monthly premiums are not paid on either the due dates or within the grace period. Your policy and cover will end on the final day of the period for which you last paid your premium.

## **Dual insurance... Double cover doesn't = double pay out**

If a claim is also covered by another insurance policy that you have, we'll only pay you out for our portion. So, if you insure an item for R100,000 elsewhere and the same item is also insured for R100,000 with us, we'll only pay half and the other insurer will be liable for the rest of the amount.

# The stuff you need to do...

## Yip, you

### Look after your stuff

This includes:

- Repairing faults or fixing defects such as roofs, gutters, drains, water pipes and tiled areas when they leak or need to be repaired.
- Taking reasonable care to prevent injury, such as installing and maintaining pool fencing and gates.
- Taking all reasonable care to prevent theft, loss, damage or legal liability.
- Obeying all legal requirements, manufacturers' requirements and best practices relating to your business, its employees, clients and the goods and services manufactured or supplied by you.

### Pay us

Pay your premiums, on time, all the time, by monthly debit order or by quarterly, bi-annual or annual payments, as agreed, and at the start of each insurance period for which insurance cover is active.

### Be honest

Always provide us with true and complete information when you apply for cover or make changes to your policy. We use the information provided by you to determine the cover, conditions of cover and the premium due. Incorrect or incomplete information may result in you not having cover and may affect the outcome of your claim. This also applies when anyone else acts on your behalf.

### Keep your receipts safe

You need to please:

- Prove ownership and value of any item that you're claiming for.
- Make damaged items that you're claiming for available for inspection in order for us to verify the full extent and nature of the damage.



# Our claims procedure

The king and his court are committed to settling all valid claims as quickly as possible. However, it's in the interest of all our policyholders, including you, that we investigate the validity of a claim. For this reason, delays in authorising claims may sometimes happen. Sorry, but not everyone is as honest as you, so we just have to check to make sure. You understand... Right?

## Tell us

The sooner you notify us, the quicker we can help you.

Please take note of these important time limits:

- Report your claim or any incident that may lead to a claim to us as soon as possible, but no later than 30 days after any incident. If you don't do so we may reject your claim or reduce the amount that we pay out if this delay causes an increase in costs or prevents us from investigating the claim properly. This includes incidents for which you don't want to claim right away, but which may result in a claim sometime in the future.
- Give us all the documentation and important details relating to your claim as soon as possible. For example, the police report and case number.
- No claim (other than a claim under the 'business interruption', 'fidelity', 'voluntary workers' or 'personal accident' sections) will be payable after 24 months from the date of any incident unless the claim is the subject of pending legal action or claimed in respect of the insured's legal liability to a third party.
- If you dispute the outcome of a claim you have 90 days, in terms of the Policy Holder Protection Rules, from the day you are first informed of the outcome to notify us of the objection. Immediately hereafter you have 6 months within which to serve summons on us, if this is not done within the 6 months, your right to challenge this decision is forfeited.
- After a claim is settled, you need to comply with all reasonable instructions and requests when assistance is required, in the identification and physical recovery of such property as well as in the recovery process against a third party. Failing which you will immediately become liable to repay all amounts paid to you in respect of the claim.

## Tell the police

If you've suffered a theft, malicious or intentional damage, hi-jacking, burglary or any crime related incident, you must report it to the police immediately after becoming aware of the incident.

## Do the paperwork

You need to please provide us with:

- All the information and documentation, we request regarding your stolen or damaged property, within the timeframe set by us.
- True and complete information when reporting a claim to us and the authorities. For example, a detailed list of all items lost, stolen or damaged.
- Any other relevant documentation needed to validate your claim.
- Details of any third party involved in the incident, if applicable.

## Check and let us know

If there's any other insurance policy which covers the same insured incident.

## Keep us updated

You need to tell us immediately if:

- You become aware of any possible prosecution, legal proceedings or claim that could be lodged against you as a result of the incident for which you've already claimed. You must give us any invoices, demand letters, summons, or notices that you may receive from other parties involved in the incident immediately.
- Any other relevant or new information which has, in the meantime, come to light regarding the insured incident that you've claimed for, even if this information only surfaces after you've submitted the claim, or the claim has already been finalised.

## Wait for us to help you

Never permit any replacement or repairs that have not yet been authorised by us (except for emergency or temporary repairs, which are permitted under this policy).

Get our written approval first before disposing of any damaged property, repairing or replacing any losses you may have suffered. Failure to do so may lead to your claim being rejected.

The king does not cover any:

- Repairs that you didn't have to do.
- Unreasonably excessive repair costs if you had a cheaper alternative to choose from at the time, and if this happens, we'll only pay the amount that you should have spent.



**Please note: The most we'll ever pay for any emergency or temporary repairs is R5,000 per incident.**



## Help us to help you

You need to act on, or take note of, the following:

- Make sure everyone is safe and take reasonable steps to prevent further loss, damage, or liability. For example, covering a hole in the roof to prevent further water damage from rain.
- Assisting us, where possible, in any recovery action against any third party responsible for the loss or damage. We'll reimburse you for any reasonable extra expenses that were incurred for this purpose.

## Get it done

Any repairs or replacements must be completed within 6 months of your claim being settled.

## Pay your excess

- Pay all the excess amounts, plus any additional excess amounts that you're required to pay for each claim, if applicable and as stated on your policy schedule.
- The excess amount that you need to pay will consist of:
  - The basic excess amount that applies to each specific insured incident/item.
  - Plus, any additional excess amounts that may be applicable for certain insured incidents or circumstances, the details of which are stated on your policy schedule.
- Excess payments are also payable in circumstances where you didn't cause the accident.

When you submit a claim, we may act on your behalf or obligations against other people to recover costs or defend any claim that they may have against you. If we manage to also recover the excess amount that you've already paid, then we'll refund it to you.

Relax, we've got your back.

## Let us take care of the difficult part

Never admit guilt or offer a settlement to any other party involved in an incident in which you're involved. We know that you're a nice person and that you want to do the right thing, however, we won't be bound by any such admission or offer that you make. Just let us take care of everything. It's our job.

## **Honesty is always the best policy**

If your claim is rejected due to fraud or dishonesty, you'll need to pay us back for any expenses that we may have incurred relating to the claim. If you, or anyone acting on your behalf, submits a claim or any information or documentation relating to any claim, that's in any way fraudulent, dishonest or inflated, we'll reject that entire claim and cancel your policy retrospectively, from the date on which the incident has been reported, or from the actual incident date.

## **Other important info**

### **Sharing of info**

We respect the confidentiality of your information and will never misuse it. For the sake of sound insurance practices however, it's sometimes expected of insurers to share some information relating to claims, underwriting, and the financial history of their clients (including credit information). This helps insurers to underwrite policies, assess risks fairly and reduce the incidence of fraudulent claims with a view to maintain affordable premiums.

For example, we may need to disclose information to our re-insurers, credit agencies, our advisers, your managing agent and those involved in the claims handling process (including assessors and investigators); for the purpose of providing relevant services and products; or for the purposes of litigation. We may also disclose information to people listed as co-insured on your policy and to any other party authorised by you.

By agreeing to insure with us, you and anyone covered by this policy therefore waive any right to privacy with regards to any underwriting and claims information (including credit information) that you or someone on your behalf provides us when it comes to any insurance policy or claim submitted by you.

### **Tell us how you feel**

We strive daily to deliver on our promise of royal service. If, for some reason we don't get this right and you have a complaint about our products or service, then we really would like you to tell us.

Now, to make sure that your complaint receives the attention that it deserves, please submit it to us in writing, by simply sending an email to the king himself, [king@kingprice.co.za](mailto:king@kingprice.co.za). We really do care about what you have to say.

Here's a step-by-step guideline of how we deal with each complaint received:

- The complaint is lodged in a central complaints register on the same day that it's made and we send you a confirmation of receipt.
- The complaint is immediately brought to the attention of the relevant squire at King Price, who then allocates it to a trained and highly skilled consultant who specialises in that type of complaint.
- The complaint is investigated and we give you feedback on our findings within 5 working days.
- If you're dissatisfied with the solution, you may refer the complaint to [yourcouncil@kingprice.co.za](mailto:yourcouncil@kingprice.co.za), who may amend the solution or confirm it.
- If after all this you're still dissatisfied, we'll regard the complaint as being unsatisfactorily resolved and from this point you can approach the office of the Ombudsman for Financial Services Providers, your legal advisor.

### **King Price internal Ombudsman**

Phone no.                               +27 12 001 30 04  
Email                                     [yourcouncil@kingprice.co.za](mailto:yourcouncil@kingprice.co.za)

### **Ombudsman for Financial Service Providers**

Phone no.                               0860 32 47 66  
Email                                     [info@faisombud.co.za](mailto:info@faisombud.co.za)

### **FAIS Ombudsman**

PO Box 74571  
Lynnwood Ridge  
0040



# What's NOT covered by the king

You've seen the word 'exclusions' used in this document. Well, here's where we tell you about those exclusions in this policy, some of which are common lingo in all insurance policies and some aren't.

Exclusions include clauses such as, the loss or damage caused by:

- Defective design, lack of maintenance, and cost of maintenance.
- Property that doesn't comply with National Building Regulations.
- Storm damage to retaining walls, which is described in Section 1: Buildings.
- Dams and dam walls.

Now, if some of the exclusions are less common, and you're not familiar with them, they can come as a surprise. And, not in a good way. That's why it's super important that you read the full details of all the relevant exclusions in this policy document, rather be safe than sorry later.

## Standard exclusions

These general exclusions apply to all aspects of your insurance policy. You will not be covered for any loss, damage, death, injury or liability that's directly or indirectly caused or contributed to by any of the following:

### War and public disorder

This includes:

- War or war-like acts.
- Military uprising, usurped power, rebellion or revolution.
- Civil commotion, labour disturbances or public disorder.
- Looting and theft, unless caused by any of the events that are covered by Sasria and that are mentioned later in your policy document.
- Any act of terrorism by any person or group, whether acting alone or under instruction.

### Confiscated, forfeited or detained property

Property that has been legally detained or confiscated.

## **Pollution or contamination**

Pollution, contamination or seepage, radioactive or nuclear material.

## **Computer losses, programs and data**

The incapacity or failure of any computer (including data processing equipment, microchips, integrated circuits or similar devices in a computer or non-computer equipment) to capture, save, retain or access any data, code or information as a result of:

- Any program error, incorrect entry or inadvertent cancellation of data or programs or unlicensed software.
- Computer viruses and similar destructive media.

## **Insects and pests**

Damage caused by insects or pests such as moths, rats, etc.

## **Sanction limitation**

You're not covered if such cover would expose you 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, irrespective of enactment in the jurisdiction where the indemnity or benefit is provided or payment is made.

## **Contracts**

This includes:

- Breach of contract.
- Liability arising from a contract or agreement, unless you would have had the same liability had you not entered into the contract.

## **Selling your possessions**

When selling your possessions, you need to have prior confirmation from your bank that a valid and legal payment for the sale has been made before giving the property to the other person.

## **Consequential loss**

Consequential loss or damage, except if it's specifically stated to be covered on your policy schedule.

## **Illegal activities**

The use of your property for, or in connection with, the commission of any offence. This includes any incident relating to obtaining, using or soliciting narcotics (drugs).

## Defective design, lack of maintenance and cost of maintenance

This policy doesn't cover any loss of, or damage caused by, or attributed to, defective design, defective workmanship, defective construction or defective material or the lack of maintenance and the cost of maintenance of the insured property.

## Intentional damage

Damage or liability intentionally caused or incurred by you, or by any person acting with your express or implied consent.

## Asbestos

This policy doesn't cover loss, damage, death, injury, illness or liability of any nature whatsoever directly or indirectly caused, or in any way contributed to by asbestos in any quantity or form.

## Excluded perils

This policy doesn't cover any cause that was not sudden and unforeseen, this includes:

- Gradual deterioration, including rising damp, wear and tear, rust, mildew or fading.
- A rise in the underground water table or pressure caused by it.
- Defective lubrication or the lack of oil or coolant.
- Electronic breakdown, or mechanical or electrical defect or failure.
- Damage to consumable parts or parts with a limited lifespan.
- Damage recoverable under any maintenance or lease agreement.
- Servicing, maintenance, cleaning, repairing, dyeing, restoring, bleaching, or alteration.
- Occurring while any item is undergoing tests of any kind, is deliberately overloaded, or is being used in a manner for any purpose other than that for which it's designed.

## Prove your claim

If your claim is being rejected, then you'll have to onus of proving the contrary.



# T's & C's



**Please note: That these apply to every section of this policy.**

## **Arbitration**

If any difference shall arise as to the amount to be paid under this policy (liability being otherwise admitted) this difference will be referred to an arbitrator/s to be appointed by the parties concerned in accordance with the applicable statutory provisions in force. The making of an award will be a condition precedent to any right of action against us to recover the amount in dispute.

## **No breaching**

The conditions of this insurance will apply individually to each of the risks insured and not collectively to them. So, a breach of any condition will void the policy only in respect of all the risks to which that breach applies and doesn't affect the policy in respect of the other risks.

## **Tell the truth**

Any material misrepresentation, misdescription or non-disclosure will render voidable the particular item, section or sub-section of the policy.

## **Jurisdiction**

Any dispute concerning the interpretation of the terms, conditions, limitations and/or exclusions contained here is understood and agreed by both yourself and ourselves to be subject to the courts and law of South Africa.

## **Follow the rules**

You must comply with all relevant statutory regulations. For example, all properties must comply with the National Building Regulations and plans must have been submitted to, and approved by, the local authority at the relevant time.

## **Fire protection**

It's a condition precedent to liability under this policy that all fire fighting equipment or fire protection at the premises is installed, maintained and serviced in accordance with the regulations contained in the National Building Regulations or any other regulations as may be contained in the respective Emergency Services Bylaws.



**Please note: Any failure to comply with this condition will result in there being no liability under the fire section of this policy, irrespective of whether the non-compliance is causally related to the damage or not.**

## **Inspections**

We or our service providers have the right to value, inspect and examine, by appointment, any insured property under this policy. Neither our inspection nor our failure to inspect, alters the terms and conditions of this policy or your obligations in any way. Any inspection will be restricted to matters which, in our opinion, are relevant to this policy.

## **Other party's rights**

Only you, the policyholder, have rights in terms of this policy. Only you may claim on this policy, even if cover extends to cover another party for their loss or damage. The intention is that you'll claim on their behalf. Payment to you will absolve us from any further liability to a third party.

## **Accountants**

Any particulars or details contained in your books of account or other business books or documents, which may be required by us for the purpose of investigating or certifying any claims may be produced and certified by your auditors or accountants and their certificate will be prima facie evidence (that's legalise for 'accepted as correct until proven otherwise') of the particulars and details to which the certificate relates.

## **Holding covered**

If we're holding covered on a risk, we won't reject a claim on the basis that the premium has not been agreed. The claim will be handled according to the basis of cover that was mutually agreed to and confirmed by us in writing.

## **Declaration basis/premium adjustments**

If the premium for any section of this policy has been calculated on estimated figures, you'll need to, after the expiry of each period of insurance, supply us with the information that may be required to recalculate the premium for the period. Any differences will be paid by, or to you.

## **Taxes/VAT**

All premiums, sums insured and excesses payable are inclusive of all taxes/VAT.



## **Liability under more than 1 section**

We won't be liable under more than 1 section of this policy in respect of loss, damage or liability arising from the same incident.

## **Security firms**

If an employee of a security firm employed by you under a contract causes loss or damage, we agree, if in terms of the said contract you may not claim against the said security firm, not to exercise rights of recourse against the said security firm.

We won't raise as a defense to any valid claim submitted under any section or subsection of this policy that our rights have been prejudiced by the terms of any contract entered into between yourself and any security firm relating to the protection of your property.

## **Interest**

No payment due by us for any claim will be subject to interest under the common law or under the prescribed rate of the Prescribed Rate of Interest Act No. 55 of 1975, as amended or substituted from time to time.

## **Subrogation rights**

We have the right to take over and conduct in your name, the defense or settlement of any claim to recover damages, indemnity, contribution or otherwise. We have full discretion in the conduct of any proceedings and in the settlement of any claim. You must please provide us with all the required information and assistance as we may request in defending you or recover in your name.

## **Alarm systems**

If you've advised us that surveillance or protective equipment, burglar or fire alarm systems are used or installed at your location you must:

- Ensure that it's regularly tested and maintained in accordance with the manufacturer's recommendations.
- Take all reasonable precautions to ensure that it's operational outside normal business hours.

# What do we mean

## Act

As applied to this policy and the interested parties being subject to either:

- Sectional Title Schemes Management Act No. 8 of 2011.
- Community Schemes Ombud Service Act.
- The Companies Act No. 71 of 2008 (or as may be amended).
- The Shareblocks Control Act No. 59 of 1980 (or as may be amended).
- The Housing Development Schemes for Retired Persons Act No. 65 of 1988 (or as may be amended).

Whichever is applicable having reference to the context in which the act is used.

## Accident or accidental

Something you didn't intend or expect to happen. A single, sudden, unintentional and unexpected incident that occurred at an identifiable time.

## Blanks

If, on your policy schedule, the sum insured, limit of indemnity or compensation is:

- Left blank or has no monetary amount stipulated against it.
- Or is reflected as 'nil' or 'not applicable' or 'not covered' or 'no indemnity extended'.

It would mean that the defined incident or circumstance stated on your schedule is not insured under the policy.

## Body corporate

The legal entity that exists to manage and control the common property, made up of all owners of units in the scheme.



## **Business**

The duties and requirements of the:

- Body corporate in terms of the Sectional Titles Act may be applied to this insurance and the registered rules agreed and amended by the appointed trustees or as may be amended by statutory regulation and/or provisions thereof.
- Directors of a company governing the activities of a home owners' association as determined in accordance with the requirements of the Companies Act as may be applied to this insurance or amended by statutory legislation and/or the provisions thereof.
- Directors/members of a 'share block' as determined in accordance with the requirements of the Share Blocks Control Act, as may be applied to this insurance or amended by statutory legislation and/or the provisions thereof.
- The management committee of a 'life-rights' development as determined in accordance with the requirements of the housing development schemes for Retired Persons Act as may be applied to this insurance or amended by statutory legislation and/or the provisions thereof.

## **Business activity**

A business, trade, profession, occupation or any income-earning activity, but it doesn't mean the residential tenancy of any part of your building.

## **Building**

A structure of a permanent nature erected and which is shown on a sectional plan as part of a scheme.

## **Claim costs**

The assessments that need to be done for any claims under your policy, will be paid for by us. However, if you wish to employ a person to assist you in preparing your claim, indemnification for the costs that you incur subject to our approval.

## **Committee member**

Elected member of the management committee.

## **Common property**

That part of the insured property which doesn't form part of a section and described on the sectional plan as stated on your policy schedule.

## **Common areas**

The areas at the insured (risk) address which aren't part of any unit. For example, gardens, driveways, footpaths, walkways, pool areas, tennis courts etc.

## **Common area contents**

The office contents including any electronic equipment, domestic appliances and equipment, furniture and fittings, gym equipment, swimming pool or spa covers and accessories, swimming pools or spas that aren't in the ground and that are owned by the body corporate or for which they're legally responsible, and which is located in any common area at the premises as stated on your policy schedule.

## **Cover section**

The different types of cover that form part of our community insurance product offering.

## **Date of loss**

Refers to the date on which the incident giving rise to a claim/loss occurred.

## **Directors/prescribed officer**

Elected person/s appointed by any home owners' association.

## **Directors/members**

Elected person/s appointed by share block investors.

## **Dual insurance... Double cover doesn't = double pay out**

If a claim is also covered by another insurance policy that you have, we'll only pay you out for our portion. So, if you insure an item for R100,000 elsewhere and the same item is also insured for R100,000 with us, we'll only pay half and the other insurer will be liable for the rest of the amount.

## **Employee**

Any person employed by you under a contract of service but excluding managing agents and/or their employees or appointed contractors or their sub-contractors.

## **Event**

Any series of events arising from a single cause.

## **Excess**

Is the amount you have to pay for each incident for which you make a claim, as stated on your policy schedule.

The amount and type of excess that applies to each claim is stated on your policy schedule.

We'll deduct the excess from the amount of cover under your policy and then pay you the remaining amount, or we'll ask you to pay the excess to a supplier, repairer or us.

You may also be expected to pay any of the additional excess amounts, please refer to your policy schedule for further information regarding this.

## **Gradual**

A process that develops slowly or by degrees.

## **Home owners' association**

The directors of a company acting within the requirements of the Companies Act.

## **Incident**

A single occurrence or series of occurrences arising from the 1 event which you didn't intend or expect to happen.

## **Insured event**

Any event that would cause us to pay a claim. For example, under building insurance, an insured event may be a hail storm because it would cause us to compensate you for any property damage.

## **Legal costs**

Legal fees, charges and expenses (except for your fees or salaries, or salaries of your employees) we've accepted and approved in writing, for investigation, defense, monitoring or settlement of any claim.

## **Management committee**

The committee responsible for the day to day operations and implementation of house rules and regulations at a retirement scheme.

## **Managing agent**

A person or company and its employees with delegated functions, appointed by the body corporate in writing, and mandated to manage and administer the affairs of the body corporate.

## **Mortgagee**

A credit provider who has a financial interest in a unit. When a mortgagee is noted on your policy schedule, they have rights under your policy.

## **Office bearers**

A unit owner or a nominee of a unit owner, appointed as a member of your executive committee as required by legislation.

Office bearers include:

- Trustee/s appointed by the body corporate.
- A Director and/or prescribed officer appointed by any home owners' association.
- A Director and/or members appointed by share block investors.
- Committee member/s appointed to the management committee of a retirement village scheme.

It doesn't include a managing agent or any contractor maintaining or managing your building.

## **Owner**

All registered owners of a unit including the spouse and children and other persons normally residing with the owner.

## **Participation quota in the common property**

The participation quota of a section or of the owner of a section shall be at that proportion designated in the sectional plan and/or rules of the controlling body.

## **Period of insurance**

The period that we'll insure you for, as stated on your policy schedule.

## **Policy**

Your insurance contract.

## **Retaining wall**

A wall designed to hold back or prevent the movement of earth.

## **Scheme**

Is a piece of land with a building/s where individual owners own portions of the building/s and co-own the common property. A scheme can be a vertical block of apartments or a 1 level row of townhouses, which may be attached or detached. A scheme has a minimum of 2 sections and can be used for residential or commercial purposes or a mixture of both.

## **Section**

A section of property as shown on the sectional plan bearing the number stated in the participation quota schedule, or that interest in a unit representing an investor or retired person's interest and entitlement.

## **Seepage or underground water**

Water that seeps or flows under or through the earth. Engineers sometimes refer to this as 'hydrostatic' water.

## **Standard construction**

Means that the buildings will be constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos.

## **Sudden**

Abrupt, occurring quickly or taking place all at once.

## **Trustee**

The elected trustees of the body corporate.

## **Tenant**

A person who pays an amount of money in exchange for living in the building.

## **Unit**

The section designated on the sectional plan including its undivided share in the common property apportioned to it in accordance with the participation quota or the interest in a unit representing the investor's entitlement as a share block investor or the 'life right' entitlement of a retired person.

## **Voluntary worker**

A person working on your behalf and at your direction without payment, reward or any expectation of any remuneration. A voluntary worker excludes any office bearers, employees, managing agents, contractors and any person who receives payment or any form of reward for work performed.

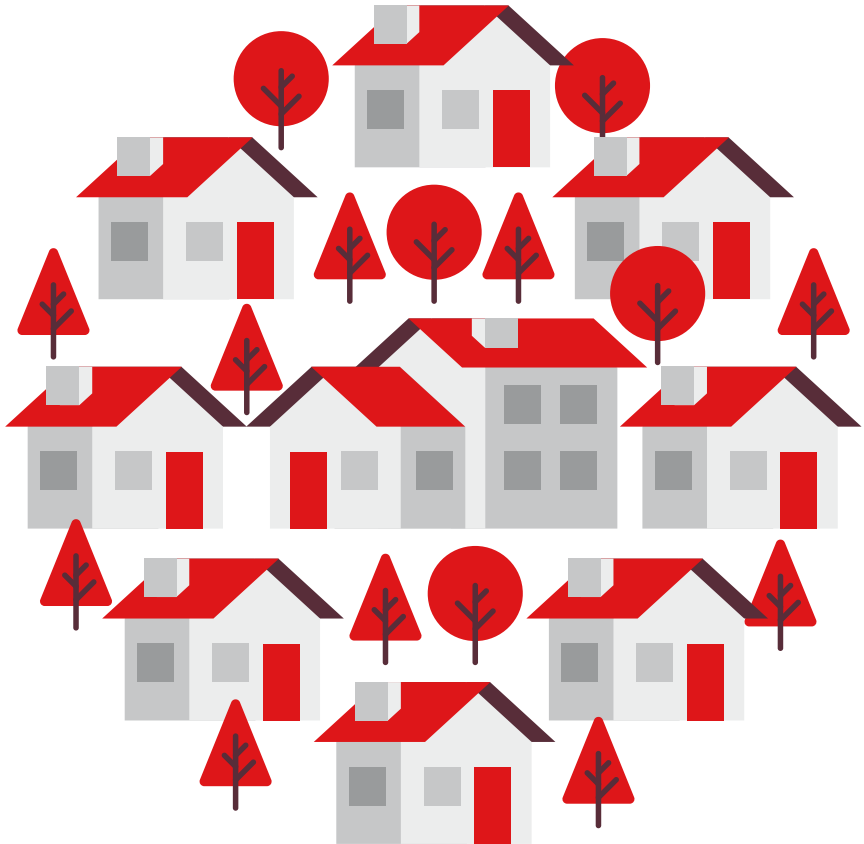
## **We, us or our**

King Price Insurance Company Ltd, as the insurer.

## You, your, yourself or the insured

Body corporate, home owners' association, share block investors' scheme or retirement scheme named on your policy schedule and its ownership or insurance interest according to the relevant laws applying to your building and common property.

\* **Please note: Some other words have special meanings and these are explained where they occur in the policy.**





# Choice of cover

## Your choice, our pleasure

Here's a quick summary of each option of cover that we offer and to help make it a little easier for you, we've given a few examples of some of the significant benefits too. But remember this doesn't form part of the terms of your insurance. That will come a little later on in this document.

## Section 1: Buildings and common area contents

### Buildings

When you insure your buildings, we'll cover them against accidental loss, damage or theft, if the loss, damage or theft is not excluded by any part of your policy.

### Common area contents

Here we'll cover the physical loss of, or damage to, your common area contents, including your garden furniture and equipment if the loss, damage or theft is not excluded by any part of your policy.

**\* Please note: Cover of R100,000 for your common area contents and R10,000 for your garden furniture and equipment is already included, at no additional premium. Nice isn't it!**

### Commercial glass

When you insure your building/s, you can choose to top up your building cover to include accidental damage to glass and signwriting at any business premises that forms part of the insured building.

### Business all risks

You're covered for loss of, or damage to, the portable property stated on your policy schedule, while anywhere in the world due to an accident or any incident which is not otherwise excluded. Your cover is limited to the amount stated on your policy schedule.

## Locks and keys

We'll pay up to the amount noted on your schedule for any 1 event for costs incurred to restore security to the insured property as a result of the loss of locks and keys.

## Money

You'll also be covered for loss of, or damage to, money while in or at your insured building/s, or in transit to, or from your premises for the purpose of deposit or withdrawal, during the period of insurance and up to the limits that are stated on your policy schedule.

**\* Please note: Cover of R20,000 for the loss of or damage to money and R2,000 for receptacles and clothing is already included, at no additional premium. We're nice like that!**

## Section 2: Machinery breakdown

This section provides cover for plant and machinery, cost of repairs, or for the replacement of damaged parts as a result of accidental, electrical or mechanical breakdown.

**\* Please note: R50,000 of cover is already included here, at no additional premium. Your problem = no problem.**

## Section 3: Electronic equipment

Under this section you're covered for the physical loss of, or damage to, electronic equipment/computers, as specified on your policy schedule. This includes the costs and expenses incurred as a result of reconstitution or recompilation of data, which would've been lost as a result of an insured incident.

## Section 4: Public liability

This section covers the compensation or expenses that you may become legally liable to pay, up to the limit stated on your policy schedule, due to a claim been made against you, in respect of:

- Personal injury.
- Property damage.

**\* Please note: An indemnity limit of R50,000,000 is already included, at no additional premium. Relax, we've got your back.**

## Section 5: Office bearers' liability

Here you'll receive cover for your office bearers should a claim arise out of any actual or alleged wrongful act/s that they make whilst carrying out their duties, functions and obligations in the management of a scheme, up to the limit of indemnity as stated on your policy schedule.

**\* Please note: An indemnity limit of R5,000,000 is already included, at no additional premium. Yip, we have you covered.**

## Section 6: Fidelity guarantee

This section provides cover for the fraudulent misappropriation of funds that have been set aside for the purpose of the management of the affairs of the body corporate/company during the period of insurance and up to the sum insured, as stated on your policy schedule.

**\* Please note: Cover of R1,000,000 is already included at no additional premium. Yip R1,000,000!**

## Section 7: Employer's liability

Under this section, you'll be covered for any claims for compensation or expenses, that you're legally liable to pay for, in the event of the death, personal injury, or illness of any person employed under a contract of service with you, which happened in connection with or during the time of their employment by you. This is specific for claims first made against you while you have an active policy with us.

**\* Please note: An indemnity limit of R10,000,000 is already included, at no additional premium. You're in the king's safe hands.**

## Section 8: Group personal accident

Here you'll be covered for a trustee, director, employee or voluntary worker who suffers bodily injury as a result of violent, accidental, external, and visible means, while they are engaged in work on your behalf.

## Section 9: Motor cover

This section covers accidental damage to the motor/s belonging to the body corporate/company, as well as the damage to other peoples' property and/or injury to other people caused by the insured motor. The motor will also be covered for theft and hi-jacking.

We give you the freedom to choose from our 5-star comprehensive deal, our 4-star third party, fire and theft deal, or our 3-star third party only cover. Your choice, our pleasure.

## Section 10: Claims preparation costs

Under this section, you'll be covered for the reasonable professional fees and such other related expenses incurred by you for the preparation of a claim.

**\* Please note: Cover of R50,000 is already included, at no additional premium. We're here to help.**

# Section 1: Buildings & common area contents

## Buildings

### By 'buildings' we mean



**In a nutshell...** We'll cover your building/s at the premises specified on your policy schedule, including all sections and common property.

This includes:

- Improvements and fixtures of a structural nature including boundary and other walls, gates, fences, tarred or paved roads, driveways, parking areas or paths, garages and carports.
- Any item/s built-in, fixed to, or on the building itself.
- Public supply connections, including water, sewerage, gas, electricity and telecommunication connections owned by you or for which you're legally responsible, between the property covered and the public supply or mains, subject to the limit that's stated on your policy schedule.
- Permanently installed sporting and recreational structures, including tennis courts, floodlights, swimming pools and spas.
- Jetties, quays or marinas.
- Satellite dishes, radio and TV aerials and their associated wirings, masts and towers.
- Blinds or awnings on the outside of the building/s.
- Fixed wall and floor coverings, including any other item or structure installed by the owner for their exclusive use and which is permanently attached or fixed to the building and is legally part of it, including any improvements made to an existing fixture.
- Fixed fire prevention and security equipment, like fire hoses, fire extinguishers and security cameras.
- Electrical and gas appliances, however, only if these appliances are permanently connected or plumbed to the property's electricity or gas supply.
- Elevators and escalators with associated equipment.
- Transformers, motors, boilers, air conditioning, standby generators.
- Glass other than the glass that's more specifically covered under this policy.



**Please note: Standard buildings must be constructed of brick, stone, concrete or metal, on a metal framework and roofed with slate, tiles, metal, concrete or asbestos. Any other material, e.g. thatched and/or timber framed buildings are considered as non-standard and must be specifically stated as such on your policy schedule.**

## **What's covered by the king**

When you insure your building/s under this policy, you'll be covered for the sudden, unexpected, and unforeseen physical loss or damage that occurs while you have an active policy with us, at the specified location, up to the amount that's stated on your policy schedule.

Your cover is subject to the terms, conditions, exclusions and limitations which apply to this section, as well as those which apply to all the sections of this policy.

## **What's NOT covered by the king**

You're not covered for the loss or damage to:

- Fixtures removed by a lessee or tenant at the end of a lease.
- Dams and dam walls.
- Illegal installations and/or renovations not approved by the trustees.
- Property which is in the course of construction, erection, alteration, addition or renovation, this doesn't include cosmetic changes, such as painting.
- Any non-standard construction, unless agreed by us.
- Property that doesn't comply with National Building Regulations.
- Hedges.
- Swimming pool covers.
- Portable swimming pools.
- Marinas, wharves, docks, jetties and pontoons used for commercial purposes or to provide fuel distribution facilities.
- Mobile air conditioning units.
- Any property belonging to tenants or for which they're responsible.

## **The stuff you need to do**

Yes, even the king needs your help. We're counting on you, and we'd hate to see your claim being rejected or the validity of cover being questioned because you didn't do what was needed on your part.

## Keep us in the loop

Tell us immediately after becoming aware when:

- The building is unoccupied for any period longer than 60 consecutive days.

## Keep us in the loop

- The building is vacant or abandoned.
- Any alternations, additions or improvements are being made to the building.  
For example, if your building has a slate roof, we charge a specific premium for that. If you later thatch the roof without telling us, we would be receiving the incorrect premium because thatch has a higher risk of fire damage and so your building won't be covered against fire.

Remember, incorrect details = incorrect cover.

## Responsibilities of others

It's important that you make sure that your employees, members, partners, directors, principals, or any resident at the insured premises follow the terms and conditions of this policy.

## Precautions

You must take all reasonable precautions for the care, safety, protection and maintenance of your property. You must also comply with all statutory obligations, by-laws, and regulations imposed by any public authority.

If you don't comply with these conditions and loss or liability is caused, we may refuse to pay a claim or reduce the amount that we pay you.

## Let's talk money

### Replacement value

The sum insured, which is stated on your policy schedule, is the maximum amount that we'll pay for the physical loss of, or damage to, your building/s, minus the excess and any dual insurance or under-insurance. We'll pay the percentage determined in accordance with the provisions of Section 32 of the Sectional Titles Act, as shown on a sectional plan in accordance with the participation quota.

Now, with the above in mind, you need to cover your building for its replacement value. This is the cost of rebuilding or repairing the building with new materials at the time of the claim.

The replacement value must include these additional costs:

- Professional and municipal fees.
- Demolition charges.
- Debris removal.
- Making the site safe.

## **How we work out your ‘average’**

If you insure the building for an amount less than its replacement value, then the average value will apply and we'll only pay you proportionately. So, let's say that the correct value of a unit is R1,000,000 and you only cover it for R800,000, then you'll be compensated for 80% of your loss. The average is restricted to the individual units and doesn't apply to the building as a whole.

## **Basis of settlement**

In the event of loss or damage to your building/s, we'll pay the costs of rebuilding or repairing the damaged portions to the same condition they were in before the incident. However, we won't reinstate it exactly or completely, only as circumstances permit and in a reasonably sufficient manner. We also won't ever pay more than the applicable sum insured for any of the items covered.

## **Reinstatement, replacement or repair**

If we pay you to rebuild, then you can choose to do so on the same or on a different site. If it's on a different site, the amount we'll pay will stay the same.

If only part of your building/s is damaged, then our liability won't go higher than the cost of repairs. Now, if the architectural features and structural materials of the covered building/s has a special ornamental, antique, or historical significance, or the materials aren't readily available, then we'll do our best to use the nearest available equivalent to the original materials.

We won't pay for the repair or replacement of undamaged property just to create a uniform appearance throughout the building. This simply means that if damage occurs to the floor coverings, we'll only pay to repair or reinstate the affected area/s, even if that means that your floor coverings don't match all the way through your building afterwards.

We also won't pay for any additional or special value that an item has because it's part of a pair, set, system, or collection. What will happen in this case is that we'll pay for the proportionate value of the part of the pair, set, system or collection that's lost or damaged, not the whole set.



The work of rebuilding, replacing, repairing, restoring or reinstating the building must start within 6 months of the loss or damage occurring (or any other period, which we may agree with you). If this doesn't happen, we won't be liable for any payment beyond the amount which would've been payable if the delay hadn't occurred and you might have to pay the difference.

## **Destruction and damage**

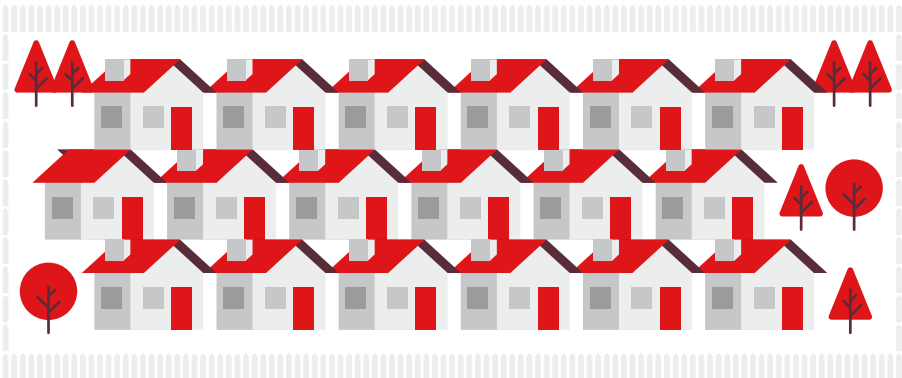
There are times when a building must sadly be destroyed. We use the criteria as set out in Section 17 of the Sectional Titles Schemes Management Act, No. 8 of 2011, to decide on the destruction of a building.

Accordingly, the buildings comprised in a scheme are deemed to be destroyed:

- Upon the physical destruction of the building.
- When the owners, by unanimous resolution, choose so and all holders of registered sectional mortgage bonds, as well as those with registered real rights concerned agree to it in writing.
- When it's decided by a court of law, that it's just and equitable that the building must be considered to have been destroyed.

Once the building is damaged or destroyed, the owners may by unanimous resolution or by court order, authorise a scheme:

- To rebuild and/or reinstate the entire building or part thereof.
- To transfer the interests of owners of sections which have been wholly or partially destroyed to other owners.



When these powers have been exercised, the owners can pass resolutions as they see fit or a court of law may make an order in connection with:

- The application of insurance money received by the body corporate in respect of damage to or destruction of the building.
- The payment of money by/to the body corporate, or by/to the owners, or by/to 1 or more of the owners.
- An amendment to the sectional plan, to include an addition to or a subtraction from the common property.
- The variation of the quota of any section.
- The imposition of condition.

As your insurer, we have the right to intervene in the above proceedings and will only pay for the actual damage to the insured property, if it's deemed to have been destroyed in terms of Section 17 of the Sectional Titles Schemes Management Act No. 8 of 2011 or as amended from time to time.

Where 2 or more buildings are comprised in a scheme and only 1 part of 1 of these buildings is damaged or destroyed, the provisions of the act apply as if these buildings were 1 building and part of this has been damaged or destroyed.

## **Escalation**

During each period of your cover, the building/s sum insured will be increased in proportion to the period that your cover has been in force, by the percentage that's stated on your policy schedule.

However, it remains your responsibility at each renewal date, to ensure that the sum/s to be insured in respect of the building/s for the upcoming period of cover and the percentage increase required for this period is correct.

If damage occurs, then the sum insured at the time of the loss will be increased by the percentage that's specified on your policy schedule.

## **Inflation**

If your insured property is damaged, then the amount we'll pay will be increased by the percentage stated on your policy schedule at the time of the loss, so that we can account for inflation.

## The king's additional benefits

If we accept and pay a claim for loss or damage to your building/s, the following additional benefits will be paid too, provided that the amount paid out doesn't exceed the sum of the insured value of the affected property, as stated on your policy schedule.

### **Subsidence and landslip**

You'll have cover for loss or damage to your property due to sinking caused by downward or lateral movement of the land that supports it, natural shifts, or human activity. This cover is subject to the building foundation and construction being designed and approved by a licensed structural engineer.

You're not covered for damage caused by:

- Volume changes in clay based soil or rock caused by changes in the moisture levels.
- The rise in the water table or pressure caused by it.
- Coastal or river erosion.
- Excavations (including the removal of lateral support), other than mining activities.
- Removal or weakening of pillars.
- Defective design, material and workmanship.
- The normal settlement, shrinkage or expansion of the soil supporting the structures.
- The poor compaction of soil used to fill areas under paving and floors.
- Additional underpinning of foundations that's necessary for the repair of the building or to prevent further damage.
- Drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences, unless specifically insured and stated as such on your policy schedule.
- Workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises.
- Consequential loss of any kind whatsoever, except for the loss of rent or the cost of alternative accommodation.
- Active soils, except where professional engineering design precautions have been implemented during construction.
- Work that's necessary to prevent further destruction or damage due to subsidence or landslide.
- Damage from a cause that existed prior to the start of your policy.
- Solid floor slabs or any other part of the building, due to the movement of such slabs, unless the foundations supporting the external walls of the building are damaged by the same cause at the same time.
- A building constructed or situated on dolomite and limestone land/sites.



**Please note: If your claim's rejected because we say that 1 or more of these exclusions apply, then you'll have the onus of proving the contrary.**

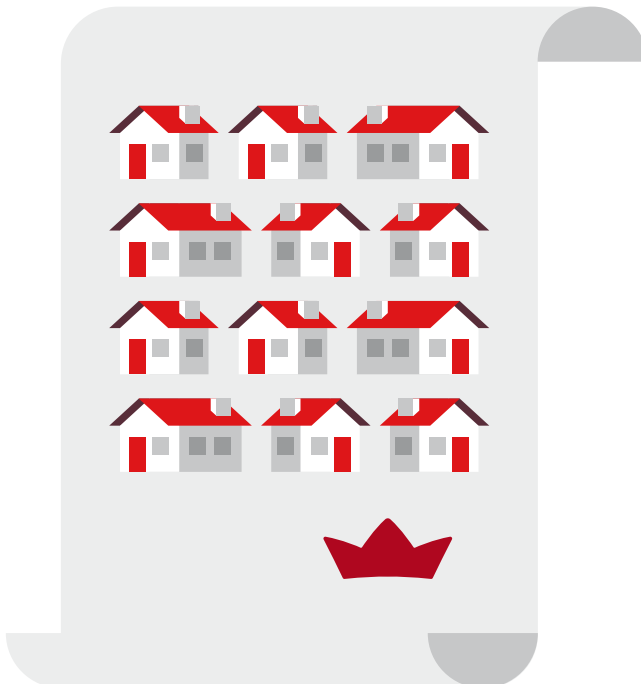
### **Architects and other professional fees**

We'll pay for the professional fees required for the reinstatement or replacement of the building, limited to a maximum amount of 25% of the sum insured, as noted on your policy schedule.

There's no cover for the costs, fees and/or salaries for preparing any claims under this additional benefit.

### **Demolition and clearing costs**

We'll pay the cost and expenses you reasonably incur following insured damage to your property for the demolition and/or removal of debris and in providing, erecting and maintaining hoardings required during demolition, site clearing and/or building operations, following damage to the insured property caused by a defined incident.



We'll only pay provided the total amount recoverable doesn't exceed the sum insured of the affected property.

We don't cover the costs and expenses that you may incur in removing debris, except if it's from the site of the damaged or destroyed insured property and the area immediately adjacent to it.



**Please note: This benefit doesn't extend to cover any liability that you may incur as a consequence of pollution or contamination of any kind.**

## **Municipal plans scrutiny fees**

When it comes to the fees incurred and owed to the municipality, we'll cover these costs. This is provided that the total amount recoverable under any item doesn't exceed the sum insured of the insured property which has been affected.

## **Public authorities' requirements**

We'll pay the costs required for your buildings to comply with any statute, regulation or any municipal or other statutory authority, provided that it doesn't exceed the sum insured.

You're not covered for any cost:

- Where the building didn't comply or where a notice has been served on you prior to the incident.
- For any damage not insured under this section.
- For undamaged property or portions of the property.
- Where the building can't be built or repaired where it stood prior to the incident.
- Of any rate, tax, duty, development or other charge or assessment arising from capital appreciation.

## **Flood resilience and flood protection**

In the event of damage to the insured property due to a flood, we'll pay the additional costs for the reinstatement in:

- Using materials with better water resilience.
- Relocating fixtures and fittings covered under this policy to a lower risk area within the same building.
- Preventing floodwater from adjacent ground to prevent future damage.



**Please note: Our cover will not exceed R50,000 for any 1 insured incident.**

## Loss of rent/levies receivable/alternative accommodation

If a unit or section that's rented or would've been rented and which we can verify with a lease or rental agreement, becomes either uninhabitable or unfit for its intended purpose, we'll pay the unit/section owner an amount equal to the rent/levies received immediately before the damage, for a period necessary to complete repairs or reconstruction.

**\* Please note: The amount we'll pay will be up to, and not higher than, 30% of the sum insured of the affected unit or section.**

Now, if you as the owner are occupying the unit or section and it's damaged to the point of no longer being habitable, then we'll pay the reasonable rent owed of the equivalent, unfurnished alternative accommodation. We'll also pay the reasonable cost for temporary accommodation for pets owned by a unit owner if the temporary accommodation doesn't allow pets.

We'll also pay the reasonable costs, not exceeding R10,000, to remove, store, and return any undamaged home contents of the owner-occupied unit.

**\* Please note: This additional benefit won't apply if temporary accommodation is covered by any other policy.**

## Prevention of access

If property within a 10km radius of the insured premises stated on your policy schedule is lost or damaged by an insured incident and this prevents or hinders the use of or access to the property insured under this section, we'll pay for any loss of rent you may incur as a result thereof, up to and not higher than 30% of the sum insured of the affected property.

**\* Please note: We base our calculation on the rent/levies paid immediately before the damage or its equivalent in rental/levy value.**

## Eviction of occupants

We'll pay for the cost of removing illegal occupants from any insured unit, which is stated on your policy schedule, up to the limit of R5,000 for any 1 event, or R10,000 during any 12 month period of cover.

For the purposes of this additional benefit, we define an illegal occupant as any occupant for whom an eviction order has been granted by a South African court of law.

### **Fire extinguishing charges**

We'll pay for the reasonable cost relating to extinguishing a fire after an incident has taken place, provided that you're legally liable for these costs and that the insured property was in danger from the fire.

Cover includes the replacement of used sprinkler heads, the resetting of fire and smoke alarms and refilling of the fire extinguishing appliances used to extinguish the fire.

### **Gardens, garden furniture and water features**

We'll pay the costs that are incurred by you for restoring damaged landscaped gardens, garden furniture and water features if the damage is caused due to floods, fire, firefighting operations, explosion, impact by vehicles, aircraft or other aerial devices or articles dropped from them.

**\* Please note: The maximum amount that we'll pay is the sum insured, which is stated on your policy schedule.**

### **Home modifications**

If we approve a claim for loss of, or damage to, a unit occupied by an owner and the occupying owner becomes a paraplegic or quadriplegic as a result of the incident, we'll then pay the owner the reasonable and necessary costs to modify their unit in order to help with their new mobility requirements.

**\* Please note: We'll pay up to the maximum limit, which is stated on your policy schedule. This benefit only applies if a medical practitioner certifies that the permanent disability is due to the incident.**



## Floor coverings

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

## Leakage of fire extinguishing installations

We'll pay for damage caused by discharge or leakage from fire extinguishing installations up to an amount of R20,000 for any 1 claim or series of losses arising from 1 incident.

## Loss of water

We'll cover the cost of water lost through leakage from pipes in any unit or on the common property where you're responsible to pay the charge for this water, provided certain factors are in place.

These factors include:

- The consumption reading must be at least 50% more than the average of the previous 4 readings.
- You take immediate steps to repair the pipe/s affected once you discover a leak, either through physical evidence or if an abnormally high water account is received.



**Please note: The most we'll pay is the sum insured, which is stated on your policy schedule.**

You're not covered for:

- The cost of repairs to the leaking pipes.
- More than 2 separate incidents in any 12 month period.
- Loss of water due to leaking taps, water heating apparatus or toilet systems, or from swimming pool structures or inlet/outlet pipes, or while the unit is unoccupied for a period in excess of 30 days, or due to a deliberate act of the insured or any person acting on their behalf.

## Power surges

We'll pay for loss or damage caused by an electrical power surge up to the limit that's stated on your policy schedule for any 1 event.

## Removal of trees

We'll pay the costs incurred for the professional removal and disposal of your fallen trees if they caused damage to the insured property.



**\* Please note: The most we'll pay is the sum insured, which is stated on your policy schedule. We won't pay for the removal or disposal of tree stumps or roots.**

## **Locks and keys**

We'll pay the costs incurred when replacing locks, keys, tags, and remote access devices after a burglary or attempted burglary, up to the limit stated on your policy schedule for any 1 event.

Our payment includes the cost incurred by you in rekeying or recoding locks or the cost of replacing locks of a similar type and quality if they can't be rekeyed or recoded.

We won't pay to rekey or recode locks or for the replacement of locks if there are reasonable grounds to suggest that keys or codes have been duplicated by an occupant or former occupant of the building or their family or friends.

## **Security services**

We want you to feel safe, which is why we'll pay for the cost of hiring security guards and/or services to protect you and your property after any covered damage to the insured building results in a breach of the building's security.

**\* Please note: The most we'll pay is up to the limit for any 1 event, which is stated on your policy schedule.**

## **Water removal and dehumidifying**

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

**\* Please note: The maximum amount that we'll pay is the sum insured, as stated on your policy schedule.**

## **Fixtures and fittings**

We'll pay the costs which are incurred when replacing the stolen fixtures and/or fittings, up to the maximum limit that's stated on your policy schedule, per incident.

## **Capital additions**

If you make alterations or additions to the insured property while you have an active policy with us, then we'll pay for loss of or damage to those alterations or additions.

You're not covered if:

- The total contracted value of all work for the alterations or additions is higher than 25% of the building's sum insured. As agreed, each quarter you'll let us know of any alterations, additions and improvements made to your building/s, and you'll pay the applicable additional premium for this increase in value.
- You've entered into a contract with a third party in relation to the alterations or additions which requires that third party to put in place contract works or similar insurance to cover material damage and liability risk.

## **Removal of the landlord's fixtures and fittings**

We'll pay for the removal of the landlord's fixtures and fittings while they're being temporarily removed to any other premises, including transit by road, rail or inland waterway anywhere in South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

However, this cover is only valid if the amount payable under this clause doesn't exceed what would have been payable, had the loss occurred on the premises from which the property is temporarily removed. We also won't pay if these items are insured elsewhere.

## **Optional cover**

### **Cover more. Pay a little more**

You may choose to add the following options to your building's cover. If so, it will only be covered if it's separately noted on your policy schedule and an additional premium is paid.

### **Energy performance and sustainable buildings**

We'll pay an additional amount, which doesn't exceed 10% of the building's sum insured, for any additional costs arising from the use of alternative materials or sources of materials, in accordance with the principles of the National Building Regulation for environmental and sustainability standards.

## Energy performance and sustainable buildings

We'll pay an additional amount, which doesn't exceed 10% of the building's sum insured, for any additional costs arising from the use of alternative materials or sources of materials, in accordance with the principles of the National Building Regulation for environmental and sustainability standards.

We'll also pay for the repair or replacement with more environmentally friendly technology, products or materials that will improve energy and water efficiency. We'll pay the amount we would have paid to repair or replace the damaged building using materials similar to the original, plus an additional amount as stated on your policy schedule.

You're not covered for:

- Payment higher than the sum insured of the affected building, as stated on your policy schedule, plus the additional amount.
- Any undamaged portion of the insured building/s.
- The additional costs incurred to meet any condition required by the government or local authority, which they had already notified you of, or with which you had been required to comply, before the incident occurred.
- Any damage excluded by this section.

## Medical, trauma, and funeral costs

If any watchman, caretaker, building supervisor or gardener in your permanent employment for the purposes of safe-guarding or maintaining the insured property becomes the victim of an unlawful physical assault during and related to his/her employment, we'll pay you on their behalf.

This payment will go towards:

- Medical costs and expenses, including ambulance and hospital fees.
- Psychological counselling required due to the physical assault.
- Funeral expenses after the death of an employee, which was directly caused by the unlawful physical assault and occurred within 3 months of the incident.



**Please note: The maximum amount that we'll pay is the sum insured, which is stated on your policy schedule.**

## Commercial glass

We'll pay for the replacement of damaged glass, signwriting and/or treatment, up to the limit of the sum insured, as stated on your policy schedule, against accidental loss or damage.

If following an insured loss you're obliged in terms of National Building Regulations or similar legislation, to replace damaged glass with glass of a superior quality, we'll then be liable for the additional costs incurred for this replacement, including the frames required, provided that the replacement cost is higher than the sum insured at the time of the loss or damage, then you'll be considered as being your own insurer for the difference and will bear a rateable proportion of the loss or damage accordingly.

We'll also pay the following costs and expenses up to a maximum of R5,000 for:

- The cost of boarding up as may be reasonably necessary.
- Damage to shop fronts, frames, burglar alarm strips, wires and vibrators.
- The cost to remove and reinstall fixtures and fittings necessary for the replacement of the damaged glass.
- The cost of employing a security service or additional watchmen prior to the replacement of the glass, boarding up or the repairing of the burglar alarm system, unless payable under any other insurance that you may have arranged.

We won't pay for:

- Loss or damage otherwise insured.
- Glass forming part of stock in trade.
- Glass which, at start of this insurance, was cracked or broken, unless cover has been agreed by us.
- Defacement or damage, other than a fracture through the entire thickness of the glass or any laminate thereof.

## Gradual deterioration extension

We'll pay for any loss or damage that's directly or indirectly caused by, arises from, is aggravated by, or results from, the sudden bursting of a hidden water pipe that has weakened gradually over time.

You're not covered for the costs associated with the discovery or repair of the fault.

**\* Please note: The maximum amount that we'll pay is the sum insured, which is stated on your policy schedule.**



## What's excluded

In addition to the general exclusions which apply to all sections of your policy, we also won't pay for any loss or damage, directly or indirectly caused by, or arising from, or aggravated by, or resulting from:

- Lack of maintenance or any other failure to keep any insured property properly maintained.
- Rainwater or stormwater seeping or percolating through walls, roofs or floors, or entering as a result of structural defects, faulty materials, faulty design, or faulty workmanship.
- Error or omission in the design, plan, specification, or failure of design.
- Mildew, mould, contamination, disease, wet or dry rot, change of colour, evaporation, rising damp, dampness of the atmosphere, variations in temperature, or rust.
- Gradual deterioration and gradual operating causes occurring over a period of time, including decay and wear and tear, unless covered elsewhere in this section.
- Corrosion, rust or oxidation, fading, normal upkeep or maintenance, developing flaws, concrete or brick spalling or gradual deterioration which includes (but is not limited to) tile grouting breaking down, weathering of roof tiles or roof ridge capping, or gradual weathering and breakdown of bricks, mortar or concrete.
- Denting, chipping, scratching, marring or cracking, none of which affect the operation of the item.
- The actions of birds, vermin, moths, termites, domestic pets, insects, or other pests.
- Normal settling, seepage, shrinkage or expansion in buildings or foundations, walls, pavements, and roads, and other structural improvements.
- The unblocking of waste and sewer pipes.
- Demolition ordered by any lawful authority due to the insured's or any agent of the insured's failure to obtain necessary building, construction, or development consents or permits.
- Inherent vice or latent defect, defective design, defective workmanship, structure defects, defective construction, or defective material.
- Removal or weakening of supports or foundations for the purpose of alterations, additions, renovations, or repairs.
- Cracking or collapsing of the insured property, unless caused by damage that's not otherwise excluded.
- Excavations on or under land, other than excavations in the course of mining operations.
- Any process involving the application of water.
- The invasion of vegetation, including but not limited to trees, grass, shrubs and roots.
- Any process of cleaning, bleaching, dyeing, testing, experimenting, restoring, manufacturing, servicing, altering, refurbishing, repair, renovation, or construction.

- Damage caused by theft and any attempt to maliciously damage, should the insured property be unoccupied for more than 60 consecutive days, unless the damage occurs after you get our written agreement to extend your cover while the property is unoccupied. During the period of the initial vacancy of 60 days you'll become a co-insurer with us and will bear a rateable proportion of any damage equal to 20% of the claim before the deduction of any excess. Where the building comprises of 2 or more sections or units as described in the participation quota or on your policy schedule, then each section or unit is regarded as a separate building for the purpose of this exclusion.
- Theft or neglect by tenants, including accidental damage to glass, which your tenant is responsible for in terms of a lease agreement.
- Damage which existed prior to the start date of your policy.
- The cost of repairing leaking pipes, taps, waste pipes, sewers, shower bases, basins, baths, ornamental ponds, jacuzzis, hot tubs, spa baths, and swimming pools, and in addition to this, we won't pay the cost of repairing the damage caused by accessing these leaks.
- The repair of damage covered by any guarantee, service contract, purchase contract or any purchase agreement.
- Damage to machinery, pressure equipment, and geysers as defined and provided for under Section 6 'machinery breakdown' and Section 13 'geyser maintenance'.
- Any dishonest act on your part.

We also won't cover damage to:

- Retaining walls, which is caused by the perils of storm, wind, water, hail or snow, unless we've agreed to cover the retaining wall/s and have received documented proof prior to the insured incident taking place, that these walls were designed and constructed in accordance with a professional structural engineer's design specification and in accordance with building laws and regulations.
- Synthetic tennis court and bowling green surfaces that are over 10 years old.
- Swimming pools, spas or surrounds caused by movement of their foundations or structure.



## Common area contents

### By 'contents' we mean



**In a nutshell...** We'll pay the reasonable cost of repairing or replacing movable property while they're in, on or about your common area/s at the property stated on your policy schedule, for which you're legally responsible.

This includes:

- Office equipment.
- Electronic business equipment.
- Electrical equipment.
- Furniture and furnishings.
- Carpets, floor rugs, light fittings, internal blinds and curtains.
- Built-in or portable domestic appliances.
- Swimming pool/spa covers and accessories.
- Gymnasium equipment.
- Laundry equipment.
- Stock on your premises.
- Any additional items specified on your policy schedule, that we agree to cover.

## What's covered by the king

The insured items will be covered for sudden and unforeseen physical loss or damage that occurs during the period of insurance.

## What's NOT covered by the king

- Personal property owned by a unit owner or tenant.
- Money (including cash, cheques and other instruments).
- Jewellery and precious stones.
- Motors and their accessories.
- Watercraft and their accessories.
- Plant and machinery.
- Fixed glass that forms part of the structure of the building.

- Animals, birds or fish.
- Equipment designed to be used off-site.
- Items which you've specifically covered under the 'all risks' section and which are stated on your policy schedule, since they're more specifically covered under that section.

## Let's talk money

### Basis of settlement

If there's damage or loss to contents, we may choose:

- To replace the item with the nearest equivalent item available.
- To restore or repair the item to the condition it was in when it was new.
- To pay you the reasonable cost of replacement or repair.
- Any combination of the above, up to the sum insured as stated on your policy schedule.

### Replacement value

We'll pay the reasonable cost of repairing or replacing the item under common area contents cover to a condition which is substantially the same as when new, but not better or more extensive than when new. So, you need to insure your common area contents for their total replacement value. This is the cost of replacing your lost or damaged items with similar ones at a current replacement cost.

When damage occurs to an item of common area contents which is part of a set, we'll only pay for the reasonable cost of repairing or replacing the item itself, as a proportion of the reasonable cost of repairing or replacing the whole set, notwithstanding that the set is less valuable by reason of it being incomplete.

When damage occurs to common area contents that's a wall, floor or ceiling covering (including carpets, blinds and curtains), we'll pay only for the cost of repairing or replacing the item in the room, hall or passage in which the damage occurred.

### Average

The most we'll pay is the sum insured, as stated on your policy schedule. If the new replacement value of the entire contents is more than the sum insured as stated on your policy schedule, we won't pay the full amount of your claim. We'll calculate the difference between the new replacement value and the sum insured and apply this proportionately to your claim. You'll be responsible for the difference.





**Please note: If there's more than 1 item insured on your policy schedule, this condition will apply to each item separately.**

## **The king's additional benefits**

If we accept and pay a claim for loss or damage to your common area contents, the following additional benefits will be paid too, provided that the amount recoverable doesn't exceed the sum of the insured value of the affected property, as stated on your policy schedule.

### **Accidental breakage of glass**

We'll pay for the accidental breakage of mirror glass, plate glass tops to furniture or fixed glass forming part of any article of furniture for which you're legally responsible, up to a maximum amount of R5,000 for any 1 event.

### **Power surges**

Any damage caused by an electrical power surge is limited to the sum insured, as stated on your policy schedule.

### **Theft without forcible and violent entry**

Any loss or damage caused by theft where there's no forcible or violent entry into or exit from a building, will be limited to the sum insured, as stated on your policy schedule.

### **Common area contents in the open**

We'll pay you for loss of, or damage to, common area contents while they're in a common area but not located within a fully enclosed structure. The maximum we'll pay for common area contents that are in open air or in transit is R20,000.

### **Loss of documents**

We'll pay the costs, charges and expenses necessarily incurred in replacing, restoring or rewriting your records and books of accounts, for which you're legally responsible up to the limit stated on your policy schedule, per incident. This will include replacement of your title deeds, including any unit owners' title deeds held in trust by you.

We'll also cover your legal liability as a direct consequence of any loss of or damage to your documents up to a limit of indemnity of R1,000,000.

## Intercom system SIM card

We'll pay for charges levied to unauthorised phone numbers following the theft of a sim card from any intercom system. The maximum amount that we'll pay is R2,500.

## Optional cover

### Cover more. Pay a little more

You may choose to add the following option to your cover. If so, it will only be covered if it's separately noted on your policy schedule and an additional premium is paid.

### Maintenance and cleaning equipment

We'll cover the loss of, or damage to, equipment owned by you for maintaining and cleaning the premises, up to the amount that's stated on your policy schedule.

## What's excluded

In addition to the general exclusions which apply to all sections of your policy, we also won't pay for:

- Any loss or damage caused to common area contents resulting from construction, erection, demolition, alteration or addition.
- Damage to carpets, blinds and curtains resulting from staining, fading or fraying.
- Malicious damage.
- Damage covered by any guarantee, service contract, purchase contract or any purchase agreement.
- Any item used by the occupant of the building as a tool of trade.
- Any additional costs resulting from the unavailability of matching materials or equipment.
- Loss or damage caused with your knowledge or consent.
- Loss or damage that takes place whilst the building has been unoccupied for more than 60 consecutive days.
- Loss or damage caused by you or any of your members, partners, directors, principals, employees or any resident at the premises.
- Any loss of or damage arising directly or indirectly out of, or in any way connected with:
  - The lack of maintenance or any other failure to keep any insured property properly maintained.

- Rainwater or stormwater seeping or percolating through walls, roofs or floors or entering as result of structural defects, faulty materials, faulty design or faulty workmanship.
- Mildew, mould, contamination, disease, wet or dry rot, change of colour, evaporation, rising damp or dampness of atmosphere or variations in temperature.
- Wear and tear, corrosion, rust or oxidation, fading, chipping, scratching, or marring, gradual deterioration or developing flaws, concrete or brick spalling, normal upkeep or making good.
- The actions of birds, vermin, moths, termites or other pests.
- Erosion, subsidence, landslide, mudslide or any other earth movement or collapse unless the damage arises out of an earthquake or seismological disturbance, explosion or physical impact by aircraft.



## Business all risks

### By 'business all risks' we mean



**In a nutshell...** We'll pay the cost of repairing or replacing the property that we've agreed to cover, which is individually specified on your policy schedule and for which you're legally responsible.

## What's covered by the king

The insured property will be covered for loss or damage due to any accident or misfortune.

## What's NOT covered by the king

- Cash, bank and currency notes, coins, bonds, coupons, stamps, negotiable instruments, title deeds, manuscripts or securities of any kind.
- Jewellery and precious stones.
- Personal property owned by a unit owner or tenant.
- Motor accessories.
- Watercraft accessories.

## Let's talk money

### Basis of settlement

If there's loss of or damage to an individually specified item, we may choose:

- To replace the item with the nearest equivalent item available.
- To restore or repair the item to the condition it was in when new.
- To pay you the reasonable cost of replacement or repair.
- Any combination of the above, up to the sum insured as stated on your policy schedule.

### Replacement value

We'll pay the reasonable cost of repairing or replacing the specified item/s to a condition which is substantially the same as when new, but not better or more extensive than when new. You therefore need to insure your specified items for their total replacement value. This is the cost of replacing your lost or damaged items with similar ones.

When damage occurs to a specified item which is part of a set, we'll only pay for the reasonable cost of repairing or replacing the item itself as a proportion of the reasonable cost of repairing or replacing the whole set, despite that the set is less valuable by reason of it being incomplete.

## What's excluded

In addition to the general exclusions applying to all sections of the policy, we won't pay for any loss of, or damage to, insured items caused directly or indirectly by:

- Mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune not otherwise excluded.
- Wear and tear, gradual deterioration, any process of cleaning, repairing or restoring or as a result of light, atmospheric or climatic conditions unless following an accident or misfortune not otherwise excluded.
- Scratching, denting or chipping not affecting the operation of the item.
- The process of fitting, adjustment, repair or dismantling of any insured item.
- Inherent vice or defect, vermin, insects, damp, mildew or rust.
- The dishonesty of you, your employee or office bearers whether acting alone or in collusion with others.

## Money

### By 'money' we mean

**In a nutshell...** We'll cover you for money which is defined as cash, bank and currency notes, cheques, postal and money orders, postage and revenue stamps, credit card vouchers, gift vouchers and other negotiable instruments.



## What's covered by the king

We'll pay you for the loss of money whilst contained inside the building during the period of cover at the address stated on your policy schedule and also whilst it's in the personal custody of an office bearer, committee member or managing agent while acting on your behalf, or in transit to and from your premises for the purpose of deposit or withdrawal. This cover only applies to money used in connection with the insured property.

## What's NOT covered by the king

We won't be liable for the excess or the co-insured clause under the 'fidelity section' of this policy or any other fidelity insurance.

## Let's talk money

The amount we'll pay per incident will not exceed the amount stated on your policy schedule, less the applicable excess.

However, we'll pay up to R2,500 for the loss of money if it's not contained in a locked safe or strong room whilst the portion of the premises containing the money is unattended.

Payment for the loss of money during the transport to and from the bank will be made as follows:

- Up to R10,000 by 1 responsible person.
- Between R10,001 and R30,000 by 2 responsible people.
- Over R30,000 by an approved professional security company.



**Please note: The transit of money between your premises and the bank must be uninterrupted; however, this doesn't apply where money is being transported by an approved professional security company.**

## The king's additional benefits

If we accept and pay a claim under the money cover of this policy, the following additional benefits will be covered too, provided that the amount recoverable doesn't exceed the sum insured, as stated on your policy schedule.

### Receptacles and clothing

In the event of an insured loss, we'll pay the costs necessarily incurred in the replacing of receptacles and clothing (as defined below), against loss or damage, up to the limit as stated on your policy schedule.

By 'receptacles' we mean any safe, strong room, strong box, till, cash register, cash box or other receptacle for money.

By 'clothing' we mean personal effects not otherwise insured and belonging to you, or to any partner, director or employee.

## Personal assault

We'll cover bodily injury caused by accidental, violent, external and visible means as a result of theft or any attempted theft to the insured or to any office bearer or employee while they are acting in the course of his/her duties in your employ.



**Please note: The maximum amount for which you can claim is R10,000.**

## Locks and keys

We'll pay the costs necessarily incurred in replacing locks and keys to any receptacle at your premises following the disappearance of any key to the receptacle, or in the event that you have reason to believe that an unauthorised person may be in possession of a duplicate of such key, up to the limit as stated on your policy schedule.

## Skeleton keys

We'll cover the loss of or damage to the property insured caused or accompanied by entry to receptacles by the use of a skeleton key or other similar device (excluding a duplicate key), provided that you can prove to us that a skeleton key or device was used.

## What's excluded

In addition to the general exclusions applying to all sections of the policy, we won't pay for loss or damage:

- Arising from a shortage of money due to error or omission.
- Arising from the dishonesty of any trustee, member of the body corporate or employee of the insured, not discovered within 14 working days of the occurrence thereof.
- Arising from the use of keys to any safe or strong room, unless the keys are obtained by violence or threats of violence.
- To money in any motor being used for the transport of money to the bank, unless you, an employee or office bearer is in the motor. This exception won't apply following an accident involving this motor rendering the said person incapacitated.

# Section 2: Machinery breakdown

## By 'machinery' we mean



**In a nutshell...** We mean mechanical and electrical plant, machinery, boilers and pressure equipment owned by you or for which you're legally responsible. These must be noted on your policy schedule in order for you to enjoy cover.

'Machinery' can include:

- Air conditioning plants.
- Lifts, escalators or elevators.
- Swimming pool machinery.
- Borehole pumps.
- Submersible pumps.
- Saunas, spa baths and jacuzzis.
- Automatic gates and garage doors motors.
- Transformers and electrical switchgear.
- Hoists.
- Generators.

Pressure equipment includes pressure vessels, economiser and super heaters and attached pipe systems, which are subject to steam, gas or fluid pressure or vacuum, all belonging to you.

## What's covered by the king

We'll cover you for the breakdown and collapse of machinery while it's at work or at rest, being dismantled for the purpose of cleaning, inspection and overhaul or in the process of removal to another position, provided that the insured item is on your premises and is in the ordinary course of working at the time that the damage occurs.



## **By 'breakdown and collapse' we mean**

'Breakdown' is the sudden and unforeseen physical loss of or damage to machines, boilers and pressure plants from any cause not excluded and which requires repair or replacement to enable normal working to continue.

'Collapse' is the sudden distortion of a furnace of a boiler or any part of a pressure vessel caused by the bending or crushing of the permanent structure by the force of steam, gas, fluid pressure or vacuum including sudden and unforeseen physical loss or damage caused by overheating resulting from a deficiency of water.

We'll also pay the cost of:

- Dismantling and the re-erection of machinery, boilers and pressure plant and/or their parts together with removal of debris.
- Replacement of refrigerant gases, liquids or insulating oil necessary to complete repairs.
- Charges for overtime and work on public holidays, where necessarily and reasonably incurred.
- Freight within South Africa by any recognised freight service, limited to a maximum of 10% of the sum insured for the item involved.
- Hire of a temporary replacement item during the time taken to repair damage to any item, limited to a maximum of 10% of the sum insured for the item involved.

## **What's NOT covered by the king**

We won't cover machinery, boilers and pressure equipment:

- Used as a tool of trade.
- With a cylinder capacity less than 300 litres.

## **The stuff you need to do**

You must take reasonable precautions to ensure that the machinery is maintained in good working order and neither habitually nor intentionally overloaded and that regulations relating to the operation of the machinery are followed. All maintenance must be carried out in accordance with the manufacturer's specifications and requirements.

You must also enter into and maintain a comprehensive maintenance agreement for the servicing and repair of lifts, escalators, elevators and machinery that's detailed on your policy schedule.

## Let's talk money

We'll elect to either repair or replace the machinery or pay for the cost of same to a condition equal to, but not better or more extensive than its condition immediately before the insured damage. The sum insured for each item of machinery separately specified on your policy schedule must be equal to the installed new replacement value at all times. If, at the time of an insured loss or damage to an item, it's found that the total value of an item which is individually specified, is of a greater value than its sum insured, you will be considered as being your own insurer for the difference and will bear a rateable share of the amount of the loss or damage. Each item individually listed on your policy schedule will be separately subject to this condition.



**Please note: The maximum amount that we'll cover is the sum insured, as stated on your policy schedule.**

We'll also pay the cost of temporary repairs that are carried out by you in the interests of safety or to minimise any further loss or damage to the insured property. If, however, the temporary repairs aggravate the loss or cause additional loss or damage to the insured property, the additional costs incurred or consequences arising due to them will be for your account.

In the case of repairable damage, we'll pay for the cost of repairs to restore the damaged item to its condition immediately before the damage occurred, including the cost of transport, labour and the onsite cost of parts, assembly and custom dues, less the value of any re-usable parts.

Where the damage is restricted to a part or parts of an insured item, we won't pay any amount greater than the value of such part or parts which are lost or damaged, as allowed for in the sum insured. If replacement parts are unavailable or obsolete, we won't pay more than the manufacturer or suppliers' latest list price.

In the event that the machinery is totally destroyed, the basis of settlement will be the new replacement value immediately before the damage occurred, less a reasonable amount for use, plus the cost of removing the damaged machinery. No depreciation will be applied to machinery that's less than 3 years old.

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

## What's excluded

In addition to the general exclusions applying to all sections of the policy, we won't pay for:

- 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.
- Consequential financial loss, loss of use, or other indirect loss.
- Rusting or scratching of painted or polished surfaces.
- Damage to machinery by any cause otherwise covered by this policy.
- Damage resulting from experiments, overload or similar tests requiring the imposition of abnormal conditions or from the execution of repairs.
- Replacement or restoration following gradual deterioration (including rust, corrosion, erosion, oxidation or scale formation).
- Any damage or loss covered under any warranty or service agreement or which would've been covered under a warranty or service agreement if you had not breached the terms of the warranty or service agreement.
- Damage to machinery when the building is undergoing any extensions, alterations or renovations and this damage results directly or indirectly from the building work.
- Loss of refrigerant oil or lubricant due solely to worn or deteriorated seals or valves.
- Any costs associated with cleaning or maintenance services.
- Any consequences arising from temporary repairs, unless we've authorised the temporary repairs.
- Alterations, additions, improvements, overhauls, maintenance, adjustments or the replacement of undamaged components whether carried out in the course of repairs or as a separate operation.
- Adjustment, cleaning or recharging of refrigeration or air conditioning equipment, unless necessary as part of the repair of any machine insured under this section.
- The costs of the repair or replacement of belts, filters, refrigerant dryers, fuses, electric heating elements, electrical contacts, thermostats, thermostatic expansion valves, lamps, gland packing, seals, cutting blades, commutators, slip rings, brushes, chains, ropes, switches, bearings, glass or ceramic components, joints or non-metallic parts and all operating media.
- Loss, destruction or damage caused by any crack, fracture, blister, lamination, flaw or grooving, even when accompanied by leakage, which hasn't penetrated completely through the entire thickness of the material of the machine or boilers and pressure plant.
- Fire, spontaneous combustion, smoke or soot, extinguishment of a fire or subsequent demolition.
- Any process of heat treatment, welding, grinding, cutting, drilling, shaping or the application of tools to the machine of boilers and pressure plant.
- Unloading, delivery to or loading prior to dispatch from the location.
- Damage or loss caused by any willful act or negligence on your part.

# Section 3: Electronic equipment

## By 'electronic equipment' we mean



**In a nutshell...** Here we refer to any of the following:

- Computers and peripheral equipment being electronic data processing equipment comprising a central processing unit with flexible programming ability, video display units, printers, hard disks, floppy disk drives, micro diskette drives including read/write heads, electro/mechanical motors and passive components as specified on your policy schedule.
- Electronic equipment (excluding computers and peripheral equipment) as specified on your policy schedule.
- An executable programme or computer code segment that is self-replicating, requires a host program or executable segment in which it can be contained, and which destroys or alters the host, programme or other computer code or data, causing undesired programme or computer system operation.
- Data, information or records that are stored on media material.
- Expendable items and parts that are normally not re-used and require frequent or periodic replacement.
- Media material, e.g. any optical discs or any magnetic medium that can be used to store data or software such as, but not limited to, tapes, discs or cards.
- Software used to control the operation of a computer provided that these instructions are recorded on media material.

## What's covered by the king

When you insure your electronic equipment as specified on your policy schedule under this section of the policy, you'll be covered for the sudden or unforeseen physical damage to, or destruction of, your equipment which requires repairs or replacement before normal operation can be resumed.

We'll also cover physical damage, destruction or loss of data, software and media material including corruption of data or software.

**\* Please note: Cover will be up to the maximum amount stated on your policy schedule and will be subject to the terms, conditions, exclusions and limitations applying to this section, as well as those applying to all the sections of this policy.**

## **What's NOT covered by the king**

We won't pay you irrespective of the original cause, for:

- Loss of the use of the insured electronic equipment.
- Consequential loss of any kind.

## **The stuff you need to do**

You must enter into and maintain a comprehensive maintenance agreement with a qualified agent for the servicing and repair of the insured equipment listed on your policy schedule.

**\* Please note: You need to insure your electronic equipment for its total current replacement value.**

## **Let's talk money**

If your insured equipment is damaged, we may choose:

- To replace the item or equipment with the nearest equivalent item available.
- To restore or repair the item of equipment to the condition it was in when new.
- To pay you the reasonable cost of repairing or replacing the item of insured equipment to a condition which is substantially the same as when new, but not better or more extensive than when new. We'll calculate the difference between the new replacement value and sum insured and apply this proportionately to your claim.
- Any combination of these up to the sum/s insured as stated on your policy schedule.

**\* Please note: If an item of insured equipment that's damaged can't be repaired or replaced without improving the output, capacity or efficiency of that item, then our payment will be limited to the cost of replacing that item, less an amount equal to the value of any such improvements.**

## The king's additional benefits

If we accept and pay a claim for your electronic equipment, the following additional benefits will be covered too, provided that the amount recoverable does not exceed the sum of the insured cover, as stated on your policy schedule.

### Cost of restoring data

We'll pay the costs of restoring your data and software that's accidentally damaged together with the cost of replacing any damaged media material, up to the amount noted on your policy schedule for any 1 incident.

Provided that we won't pay for damage:

- To data, software or media material caused by a failure or defect in the media material.
- To data that was generated, altered or processed more than 5 working days prior to the date of the damage.
- Caused by an error in processing data or an error in the use of software.
- Caused by the erasure, deletion or overwriting of any data or software.
- Caused by unauthorised access being gained to any operating system that's used by any part of the insured equipment via any communications system.
- Caused by the operation or presence of a computer virus that alters or erases data or software in a manner that's undesired by you.

### Increase in cost of working

We'll pay for the costs that are in excess of your normal total computer operating costs up to the amount noted on your policy schedule for any 1 incident.

Provided that:

- These costs are incurred as a result of damage to your insured equipment.
- These costs were reasonably incurred in order to allow your business to operate in a manner that's as close as possible to your normal business operations.

We won't pay for any expenditure incurred:

- After a period of 90 days following the damage.
- During the first 24 hours immediately following the damage.

### Removal of debris

We'll pay the costs necessarily incurred for the removing, storing and disposing of debris following damage to the insured equipment, up to an amount, and not exceeding 15% of the total amount of your claim.

## What's excluded

In addition to the general exclusions that apply to all the sections of this policy, we won't pay for the following:

- Damage caused directly or indirectly by or arising from:
  - The cleaning, testing, altering or repairing of the insured equipment.
  - Atmospheric conditions including, but not limited to, dryness, dampness and temperature, unless directly resulting from damage to an air conditioning system used to control the atmosphere, in which the insured equipment operates.
  - Dishonest acts or misappropriation of the insured equipment by you, your employees or office bearers.
  - Theft or attempted theft unless accompanied by forcible and violent entry into, or exit from, your premises.
  - The application of any tool or process to the insured equipment in the course of maintenance, inspection, repair, alteration, modification or overhaul.
  - If the insured equipment is being subject to testing or is intentionally overloaded or operated in excess of its normal designed operating specification.
  - A deliberate act or omission or neglect on your part.
- We won't pay for any legal liability which you incur following damage to the insured equipment.
- We won't pay for damage directly caused by:
  - A breakdown as defined.
  - The presence or action of insects or vermin.
  - Gradually operating causes such as but not limited to, wear and tear, mildew, corrosion, fading, rusting or other forms of oxidization.
  - Error or omission in design, plan or specification.
  - Failure of design.
  - Faulty materials or faulty workmanship.
  - Inherent vice or latent defect.
  - Change in texture or finish.
- We won't pay for repair or replacement of:
  - Glass or ceramic components other than when used as electrical insulation.
  - The chipping or scratching of painted or polished surfaces or other aesthetic defects that don't affect the function of the insured equipment.
  - Fuses and other devices designed for safety or protection that are damaged through their normal operation.
  - Any alterations, additions, cleaning, adjustments, inspections or the maintenance of insured equipment.
  - Electrical and electronic glass bulbs, tubes, X-ray tubes, laser tubes, heating elements, lighting facilities and electrical contacts.
  - Expendable items such as, but not limited to, belts, batteries, photosensitive cartridges, print heads, tapes, ribbons.
  - Coin or card-operated machines.
  - Electronic equipment not owned by you.

# Section 4: Public liability (claims made basis)

By 'public liability' we mean



**In a nutshell...** Public liability covers you in the case of legal action brought against you by members of the public.

## What's covered by the king

### Your legal liability

We'll pay for damages arising from personal injury or property damage which you become legally liable to pay as the owner (but not as the tenant) of the insured building/s and common property, and which occurred in the course of or in connection with, the ownership of the insured property, on or after the retroactive date which is shown on your policy schedule and that results in a claim first being made against you in writing during the period of insurance.

The retroactive date is the date from which you've been continuously insured under 1 policy or successive policies, which provided the same or similar cover to this policy.

Any claim first made in writing against you as a result of an incident will be treated as if it had first been made against you on the same day that you reported the incident to us.

### Cross liabilities

Where more than 1 party is insured in terms of this section, we'll cover each party separately and not jointly. Any liability arising will be treated as if a separate policy had been issued to each of the said parties but nothing contained in this clause will operate to increase our limit of liability as stated on your policy schedule.

## What's NOT covered by the king

We don't cover the legal liability of your employees and/or tenants, nor do we cover injury to you or the damage/loss of your own property.



## The stuff you need to do

If your cover with us has been cancelled, you must report the incident which occurred while you were covered with us, within 30 days of the date of your policy cancellation.

## Let's talk money

We'll pay on your behalf, all amounts for which you become legally liable to pay for the compensation of:

- Bodily injury, sickness or disease sustained by any person including resultant death.
- Wrongful arrest and defamation.
- Wrongful entry, eviction or any other invasion of privacy.
- Assault not committed by you or at your direction, unless for the purpose of preventing personal injury or property damage.
- Physical damage to or destruction of tangible property, including subsequent loss of use from the damage or destruction.

We'll also pay any legal costs that you have to pay in relation to the occurrence. This includes costs awarded against you.



**Please note: The maximum amount that we'll pay for any incident is the limit of indemnity stated on your policy schedule, at the time of the incident.**

Where there's more than 1 period of insurance for this policy following its renewal or replacement which may apply to an incident, our liability will be limited to the maximum limit of indemnity for any period of insurance, starting with the inception or renewal date, whichever is applicable.

## The king's additional benefit

If we accept and pay a public liability claim on your behalf, the following additional benefit will also be covered, provided that the amount recoverable does not exceed the sum of the insured cover, as stated on your policy schedule.

## Emergency medical expenses

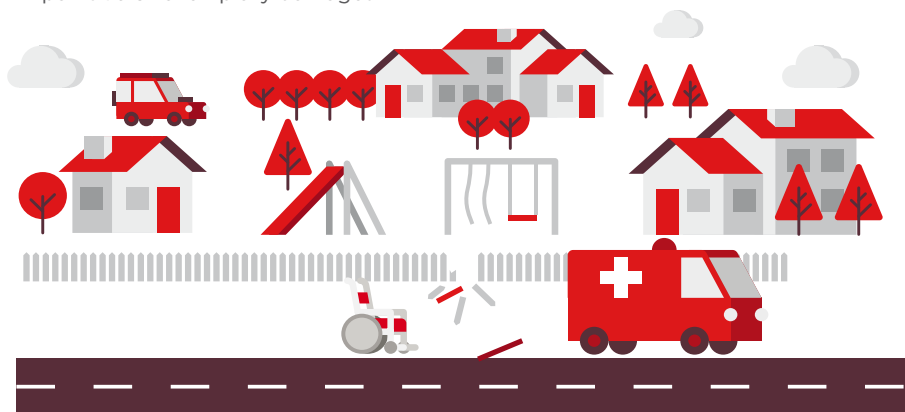
We'll pay up to an amount of R50,000 for all reasonable expenses that you may incur for any immediate medical treatment that may be necessary at the time of an incident which causes injury to any person who may be the subject of a claim covered in terms of this section.

## What's excluded

We won't pay for claims arising from:

- Your use, ownership or possession of any motors, motorbikes, mini-bikes, trailers or watercrafts, other than golf carts, ride-on mowers or motorized maintenance equipment.
- Your use, ownership, possession, maintenance, operation, hire or leasing of any aircraft, airline, airport, airstrip or helicopter pad or the refueling or defueling of the aircraft or helicopter.
- Injury sustained by:
  - You.
  - Any member of your household, or member of your family.
  - Any trustee.
  - Director.
  - Or any person employed by you under a contract of service and arising directly from and in the course of such employment by you.
- Damage to property:
  - Belonging to you or for which you're responsible.
  - In the custody or control of yourself or any of your employees.
  - Caused due to vibration, the removal or weakening of or interference with support to any land, building or other structure.
  - On which you are or have been working, if the damage results directly from such work.
- Any claim arising from an event known to you:
  - Which is not reported to us in terms of the general conditions of this policy.
  - Prior to the inception of this policy or inception of any extension under this section.
- Any liability assumed by agreement, except where liability otherwise exists in law in the absence of such an agreement.
- Any judgment, award or settlement made in the first instance, outside of South Africa or any order made anywhere in the world to enforce a judgment, award or settlement, either in whole or in part.

- Any alterations, servicing, repairing or additions to lifts, escalators or hoists that you do. This includes anything that forms part of a lift, escalator or hoist. This doesn't apply to any alterations, servicing, repairing or additions to lifts, escalators or hoists carried out by a person or company that you employ or contract who is qualified to make any alterations, servicing, repairing or additions to lifts, escalators or hoists.
- Injury, damage to or loss of use of property directly or indirectly caused by seepage, pollution or contamination provided always that this exception will not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen incident.
- The cost of removing, nullifying or cleaning up substances resulting from seepage.
- Pollution and contaminant substances, unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen incident.
- Liability caused by, through or in connection with any advice or treatment of a professional nature (other than first aid treatment) given or administered by you or at your direction.
- The ownership, possession, maintenance, repair, operation or use by you or on your behalf of any facilities at the premises, as stated on your policy schedule, that are used for commercial purposes including childcare, conference or meeting rooms, golf or putting courses, gymnasiums or other exercise facilities, laundries or dry cleaners, man-made lakes or natural water courses, medical or chemists, marinas, playgrounds, shops, swimming or other aquatic pools, tennis or squash courts, unless the facility is specifically noted on your policy schedule as not subject to this exclusion.
- Any liability resulting in injury or damage caused from the deliberate, conscious and intentional disregard or by your failure to take reasonable precautions to prevent any incident which may give rise to such a claim.
- Any of your internal or overhead expenses, or for the cost of your time.
- Any fines or penalties imposed by law (including civil penalties), vindictive, punitive or exemplary damages.



# Section 5: Office bearers liability (claims made basis)

## By 'office bearers liability' we mean



**In a nutshell...** Here we refer to any wrongful acts committed by your office bearer/s whilst they are acting on your behalf, in their capacity as an office bearer and carrying out their duties.

A 'wrongful act' refers any actual or alleged error, breach of trust, breach of duty, neglect, misstatement, misleading statement, omission or other act wrongfully committed or attempted by an office bearer, whilst acting in his/her capacity as office bearer and carrying out the duties and requirements of the business as defined under the heading "What do we mean" on page 25 of this policy.

By 'you, your and yours' we mean the body corporate/home owners' association, shareblock investors, management committee and the office bearers of the named entity, set out as:

- Body corporate: The controlling body of the building/s stated on your policy schedule and acting within the requirements of the Sectional Titles Management Schemes Act No. 8 of 2011 (or as may be amended).
- Home owners' association: The directors of a non-profit company acting within the requirements of the Companies Act No. 71 of 2008 (or as may be amended).
- Shareblock investors: The directors/members of a syndicate or company acting within the requirements of the Shareblocks Control Act No. 59 of 1980 (or as may be amended).
- Management committee: Who are acting within the requirements of the Housing Development Schemes for Retired Persons Act No. 65 of 1988 (or as may be amended).

## What's covered by the king

We'll pay for any loss arising out of claims brought against you, by reason of a wrongful act committed on or after the retroactive date of this policy and first made during the period of insurance, but not prior to the retroactive date

which is stated on your policy schedule; and which is notified to us in writing, provided this notice is received during the period of insurance and such claim is arising out of a wrongful act not excluded in this section or excluded under the 'general exclusions'.

Any claim first made in writing against you as a result of an incident, will be treated as if it had first been made against you on the same day that you reported the incident to us.

The retroactive date is the date which your office bearer/s have been continuously insured under 1 policy, or successive policies, which provided the same or similar cover to this policy.

Where we insure more than 1 party, the application for insurance is construed as a separate application by each office bearer, for example:

- Any failure by an office bearer to comply with the duty of disclosure will not be imputed to any other office bearer, where the other office bearer is innocent of and had no prior knowledge of the non-disclosure.
- For the purposes of what we will not pay, no facts pertaining to the conduct of or knowledge possessed by an office bearer will be imputed to any other office bearer.

## **Who's NOT covered by the king**

Any authorised management agency, director, partner, representative or employee of a management agency with whom you or the owner of a unit in your buildings, have entered into any management agreement.

Nor any former management agency who was an authorised managing agent, director, partner, representative or employee of a management agency with whom you or the owner of a unit in your buildings, have entered into any management agreement.

## **The stuff you need to do**

Please ensure that:

- An office bearer gives us written notice of any claim made against them in accordance with the provisions of the general conditions of this policy.
- Both you and the office bearer provide all reasonable assistance and co-operate with us in the defence of any claim.

- Neither you nor the office bearer admit liability, settle any claim, assume any obligation, nor incur any costs and expenses without our prior written consent.
- You and the office bearer use due diligence and at all times, act in a manner to avoid or diminish any claim.
- If your cover with us is cancelled, you report the incident which occurred while you were covered with us, within 30 days of your policy cancellation date.

## **Let's talk money**

We'll pay the amount that a person who's a member or a former member of the committee of the governing body or a duly appointed member of a sub-committee of your buildings is liable to pay.

The total amount that we'll pay, inclusive of all costs and expenses in respect of all claims under this section, will not exceed the limit of indemnity as stated on your policy schedule during any 1 period of insurance, starting with the inception or renewal date, whichever is applicable, regardless of the number of claims made or reported.

Should the limit of indemnity be altered during the period of insurance, the limit of indemnity which applied when you first became aware of the incident will apply to all claims made or deemed to have been made or arising out of the incident.

Any sum paid by us in the discharge or settlement of any threat or intimation of a claim, or in relation to any circumstance which might give rise to a claim, will be deemed to be a payment made in the discharge or settlement of a claim.

We have the right to negotiate, defend or settle in your or the office bearer's name and on your or the office bearer's behalf, any claim and will have full discretion in the conduct of any proceedings or in the settlement of any claim.

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

## What's excluded

We won't pay claims arising from:

- Indemnity claimed or claimable in terms of any other insurance, or otherwise more specifically covered or excluded by any section of this policy or any failure to effect or maintain adequate insurance.
- Money or a gratuity given to an office bearer without your authorisation and where such authorisation is necessary or prescribed by The Act, management rules or as required by law.
- Any warranty or guarantee.
- Any trading or personal debt of an office bearer.
- An office bearer gaining or having gained any personal profit or advantage to which they're not legally entitled.
- Personal injury or property damage, except when arising from any negligent failure by you to effect valid public liability insurance on behalf of the insured as required by law.
- The breach of any obligation owed to any employee of an office bearer or you.
- Defamation, libel or slander.
- Any duty, tax, levy or other impost.
- Remuneration for which the body corporate or company is legally liable.
- An incident that may result in a claim of which you were aware or could reasonably be expected to be aware of, prior to the inception date of this policy.
- Any of your internal or overhead expenses or for the cost of your time.
- Fines or penalties imposed by law (including civil penalties), vindictive, punitive or exemplary damages.
- Any conflict of duty and/or interest.
- Any liability assumed in contract, except where that liability would otherwise exist at law in the absence of the contract.
- Any intentional exercise of a power, where the exercise of the power is for a purpose other than the purpose for which the power was conferred by the articles of the insured.
- Any alleged or actual dishonest, fraudulent, malicious or criminal act or omission, however, this exclusion will not apply to costs and expenses incurred in successfully defending such claim.
- Any claim brought in a court of law or tribunal outside the territorial limits, which are stated on your policy schedule.
- Any claim first made prior to the retroactive date stated on your policy schedule.
- Any claim or circumstances notified, in whole or part, to the company or any other insurer prior to the policy period.
- Any claim or circumstances of which you or any office bearer against whom the claim is made, was aware or ought reasonably to have been aware, prior to the policy period.

- Any claim or circumstances notified to us after the expiry of this policy.
- Death, bodily injury, sickness or disease of any person, or damage to or loss of use of any tangible property.
- Any failure to effect or maintain adequate insurance against such risks as may be prescribed by any applicable Act or against such risks determined by special resolution.
- Insured vs. insured, brought by or on behalf of the body corporate or any officer or their estate, heirs, representatives, successors or assigns against any other officer.





# Section 6: Fidelity guarantee

## By 'fidelity guarantee' we mean



**In a nutshell...** This is cover taken out by you against any losses incurred through the dishonesty of employees, which occur on or after the retroactive date, which is specified on your policy schedule and is discovered by you during the period of insurance.

## By 'employee' we mean

Any 1 or more natural or juristic persons each of whom is:

- Subject to a contract of service or apprenticeship with you.
- Employed on a part-time or temporary basis, including limited duration contractors and employees hired or seconded by an employment contractor to perform duties for you, under your direct supervision and control at all times or whom you have the right to govern and direct in the performance of this service.
- Participating in any recognised work experience, training, study, exchange, or similar scheme on the insured premises.
- An employee, director or officer of any managing agent authorised and retained by you in terms of a management agreement to perform services for you under a written out-sourcing contract, but only providing you don't waive rights of recourse against such managing agent and only whilst carrying out acts on your behalf.



**Please note: Any person who ceases to be an employee will for all purposes of this policy, be considered as being an employee for a period of 12 months after ceasing to be an employee. Notwithstanding the period of 12 months stated, cover will terminate immediately as of the expiry date or cancellation date of this policy should you obtain alternative cover replacing in whole or in part the insurance afforded by this policy.**

## By 'retroactive date' we mean

The date from which you have been continuously insured under 1 policy or successive policies, of claims made insurance which provided the same or similar cover to this policy.

## **By ‘discovered’ we mean**

You becoming aware of any actual or potential claim by a third party or for any loss for which indemnity is or may be provided under this policy, or of any fact or circumstance which would cause a reasonable person to assume that any loss as insured under this policy has or may have occurred, and regardless of:

- The time or place of any act, transaction or other event which has or may have caused or contributed to the claim or loss.
- Whether your knowledge of the claim or loss is or could be sufficient at the time of your first awareness, to establish whether and to what extent such indemnity may be provided.

## **What’s covered by the king**

We’ll pay for the value of money, negotiable instruments and/or securities received by you or collected on your behalf, which has been or was to be set aside for the financial management of your affairs and which are lost as a direct result of theft, embezzlement, misappropriation, conversion or fraud that occurs during the period of insurance.

## **What’s NOT covered by the king**

We don’t cover any person or company not named on your policy schedule nor money, negotiable instruments or securities of unit owners.

This insurance is for your exclusive benefit and no other person will have any rights under this policy in respect of any claim.

## **Let’s talk money**

We’ll only pay:

- Up to the limit that is stated on your policy schedule, less any costs incurred by us, or any lesser sum for which any claim can be settled, whereupon we’ll be under no further liability to you in respect of the claim.
- If the loss occurs during the period of insurance.

For the purpose of this policy, we’ll consider any 1 loss and/or series of losses to arise out of the same incident if any of the persons, transactions, conditions or

If a loss is alleged to have been caused by fraud or the dishonesty of any of the employees and you're unable to designate the specific employee or employees responsible for the loss, your claim in respect of the loss will not be invalidated by your inability to do so, provided that you're able to furnish evidence required to prove to our reasonable satisfaction that the loss was in fact caused by 1 or more dishonest or fraudulent acts.

## **The stuff you need to do**

As a condition precedent to our liability to make any payment under this section, you must:

- Give us written notice of every occurrence, loss or claim made or threatened against you that gives or may give rise to a claim under this policy as soon as reasonably possible upon discovery. Such notice must include full particulars thereof and every letter, demand, summons or other notice or process received by you.
- Provide us with all the information and assistance we require.
- Provide or make available for examination (upon request and at a time and place designated by us) to the best of your ability and power, all relevant books, records and papers (including the audit papers of your auditors) and for interview, any director, officer, employee or other person.
- Take no action which might prejudice us and you must not admit liability or offer to settle any claim, loss or costs without our prior written consent.
- Not appoint council without our prior consent.

## **The king's additional benefits**

If we accept and pay any claim made under your fidelity guarantee policy, the following additional benefits will also be covered, provided that the amount recoverable does not exceed the sum of the insured cover, as stated on your policy schedule.

### **Legal fees**

The policy is extended to include the cover for legal fees, costs and expenses incurred and paid by you in defence of any demand, claim, suit or legal proceeding, which you can reasonably establish, results directly from a loss covered by any insured incident.

Provided always that:

- The indemnity under this extension is part of and not in addition to the sum insured as stated on your policy schedule, and is restricted to the percentage of the sum insured, up to a maximum of 15% of the annual aggregate limit of indemnity but will not exceed R5,000,000 in any 1 period of insurance.
- Such loss exceeds the excess as stated on your policy schedule.
- We'll only be liable to make any payment of fees, costs or other expenses incurred with our prior consent.

## Additional period

You're granted an additional period of 12 months to either discover a loss or to identify circumstances that may give rise to a claim for indemnity in terms of this policy, provided that this additional period applies only in the event of us (and not you) cancelling or refusing to renew your policy.



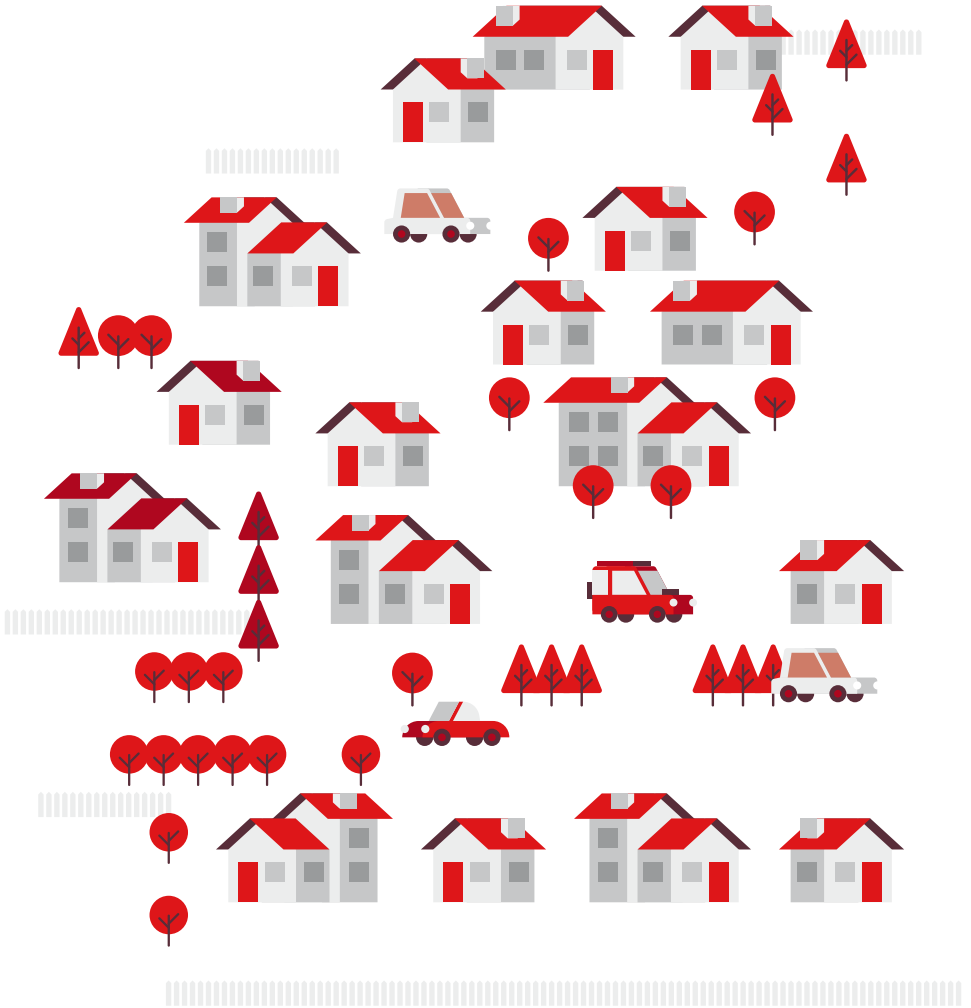
**Please note: The quotation by us of different premiums, terms, limitations, exclusions or limits of indemnity at renewal doesn't constitute a refusal to renew.**

## What's excluded

We'll have no liability for loss or costs:

- That is either not discovered during the period of insurance or occurs prior to the retroactive date which is specified on your policy schedule.
- Resulting directly or indirectly from any dishonest or fraudulent act of an employee, other than such loss which is covered under this section resulting from any dishonest or fraudulent act of any person committed after the discovery, in relation to that person, of any fraudulent or dishonest act.
- Resulting from any actual or apparent shortage (regardless of the amount thereof) in any physical cash balance, imprest or inventory and caused by any error of the employee committed in good faith.
- That is an indirect or consequential loss of any nature.
- Of any company or other legal entity acquired by you during the currency of the policy, unless endorsed on the policy or unless the acquisition of such a company or other legal entity doesn't have the effect of increasing the number of employees or the annual turnover of the insured by more than 20%.
- Resulting from or contributed to by any theft, fraud or dishonesty committed by:
  - Any partner or by any principal, director or member, unless they act in an executive capacity or are also an employee.
  - Any employee or partner from the time you become aware that this person has committed any theft, fraud or dishonesty.

- Based upon, arising out of, directly or indirectly resulting from, in consequence of or in any way involving any pension, profit sharing or employee benefit or welfare program or any share option, share incentive scheme or trust established in whole or in part for the benefit of any of your directors, officers or employees.



# Section 7: Employers' liability (claims made basis)

## By 'employers' liability' we mean



**In a nutshell...** This is cover for defence costs incurred, including damages and claimant's costs and expenses that you're legally liable to pay to any employee, following an incident on or after the retroactive date of this policy which results in a claim first made against you, in writing, during the period of insurance and which is not excluded in this section or excluded under the 'general exclusions'.

## By 'defence costs' we mean

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

## By 'employee' we mean

Any person employed by you under a contract of service but excluding managing agents and/or their employees or appointed contractors or their sub-contractors.

## By 'incident' we mean

An event which results in personal injury neither expected nor intended by you to happen. The incident must happen in the course of and in connection with the employee's employment with you.

All events of a series consequent or attributable to 1 source or original cause are deemed to be 1 occurrence/incident.

## By 'retroactive date' we mean

The date from which you have been continuously insured under 1 policy or successive policies, of claims made insurance which provided the same or similar cover to this policy.

## **What's covered by the king**

We'll provide you with cover in respect of the accidental death of, bodily injury to, or illness of any employee which occurred in the course of and in connection with this person's employment by you, within the territorial limits of this policy.

We'll only pay if the employee is doing work for you in respect of your ownership and management of the buildings and common property insured under this policy.

## **What's NOT covered by the king**

Any incident that's covered by the Occupational Injuries and Diseases Act No. 130 of 1993 (COID Act).

## **Let's talk money**

The total amount that we'll pay inclusive of all costs and expenses in respect of all claims under this section will not exceed the limit of indemnity that is stated on your policy schedule during any 1 period of insurance, regardless of the number of claims made or reported.

Should the limit of indemnity be altered during the period of insurance, the limit of indemnity which applied when you first became aware of the incident will apply to all claims made, deemed to have been made, or arising out of the incident.

## **The stuff you need to do**

### **Reporting incidents after a cancellation or non-renewal**

If your cover with us is cancelled, you must report the incident which occurred while you were covered by us within 30 days of the date of your policy cancellation.

## What's excluded

We won't pay claims arising from:

- Liability assumed by you under any contract, undertaking or agreement where this liability would not have attached to you in the absence of such contract, undertaking or agreement.
- Liability for disease or impairment attributable to a gradually operating cause which doesn't arise from a sudden and identifiable accident or incident.
- Any judgment, award or settlement made in the first instance outside of South Africa, or any order made anywhere in the world to enforce the judgment, award or settlement either in whole or in part.
- Benefits given by any legislation.
- Any incident that may result in a claim of which you were aware or could reasonably have been expected to be aware of, prior to the inception date of this policy.
- An incident for which you are entitled to claim under another policy that ended before this policy started.
- Any of your internal or overhead expenses or for the cost of your time.
- Fines or penalties imposed by law (including civil penalties), vindictive, punitive or exemplary damages.





# Section 8: Group personal accident



**In a nutshell...** We'll cover you for any liability pertaining to a personal accident sustained by a trustee, director, employee or voluntary worker that results in that worker's death or disability while working for you on the insured premises, as stated on your policy schedule.

## By 'group personal accident' we mean

The death or permanent disablement of a trustee, director, employee or voluntary worker working for you or carrying out the duties of the insured, at the insured premises that are stated on your policy schedule.

## By 'permanent disablement' we mean

An injury that entirely prevents a trustee, director, employee or voluntary worker from carrying out all of their duties performed on your behalf, in connection with the insured premises.

## What's covered by the king

We'll pay compensation to any trustee, director, employee or voluntary worker who suffers death or disability which is caused solely and directly by violent, accidental, external and visible means as a result of an incident occurring during the period of insurance, and whilst the trustee, director, employee or voluntary worker is working on your behalf in connection with the insured premises, which is stated on your policy schedule.

If more than 1 incident happens during the period of insurance we'll pay the amount shown once in respect of each incident.

## What's NOT covered by the king

We don't cover any pre-existing medical condition, sickness, disease or mental illness.

## Let's talk money

We'll pay each injured insured person, provided that:

- If the trustee, director, employee or voluntary worker dies as a result of an insured disability, we'll reduce the amount we pay for the death by any compensation we've already paid for the disability.
- The trustee, director, employee or voluntary worker isn't entitled to compensation under any workers' compensation insurance, road accident fund or other statutory scheme or fund.
- If total or partial disablement is claimed, the trustee, director, employee or voluntary worker earned a regular income derived from their physical exertion immediately prior to the time of the incident.

## What's excluded

In addition to the general exclusions applying to all sections of the policy, we won't pay any claim:

- Arising out of or attributable to intentional self-injury or suicide, including injuries suffered as a result of attempted suicide.
- Arising out of or attributable to the trustee, director, employee or voluntary worker being under the influence of alcohol or any drug, other than a drug prescribed by a qualified medical practitioner and taken according to its instructions.
- Arising directly or indirectly from a trustee, director, employee or voluntary worker's, pregnancy or childbirth.
- If the injured trustee, director, employee or voluntary worker doesn't obtain medical assistance from a medical practitioner as soon as possible following the incident.
- If the trustee, director, employee or voluntary worker under 16 or over 70 years of age.

# Section 9: Motor cover



**In a nutshell...** This section covers accidental damage to the motor/s belonging to the body corporate/company, as well as the damage to other peoples' property and/or injury to other people caused by the insured motor. The motor will also be covered for theft and hi-jacking.

## Remember...

- You will need to pay the excess noted on your policy schedule, if you claim under this section.
- You need to tell us of any changes to the insured property that will affect the premium, the cover we provide, or any conditions that we may apply.
- The maximum amount we will pay for any claim is noted on your policy schedule, unless otherwise provided for in this section.

## Choice of cover

### Your choice, our pleasure

#### Comprehensive cover



Cover for the loss of, or damage to, the motor caused by an accident or fire, self-ignition, lightning explosion or by the theft or any attempted theft of the motor. The medical expenses and liability to others are also covered under this section.

#### Third party, fire and theft only



Cover for the loss of, or damage to, the motor solely caused by fire, self-ignition, lightning, explosion or by the theft or any attempted theft of the motor. Liability to others is also covered under this section. You do not have cover for any medical expenses here.

### Third party only



Cover as provided for under 'liability to others' only. You do not have cover for any loss or damage to the motor itself, nor cover for any medical expenses.

### By 'motor' and 'vehicle' we mean

Any South African registered:

- Private-type motor (not seating more than 9 people including the driver).
- Commercial motor or special-type motor described on your policy schedule.
- Motorcycle.
- Bus (including a vehicle used for business purposes and seating more than 9 people including the driver).
- Trailer (excluding non-permanent parts and accessories).

The motor to be covered must be owned by you or be a motor that you have hired, borrowed or leased temporarily, and which serves as a replacement motor for 1 which is out of use due to the purpose of overhaul, upkeep and/or maintenance repairs. The maximum amount we will pay for the replacement motor will not exceed the lesser of the market value of the replacement motor or the limit of indemnity of the replaced motor, as stated on your schedule.

### What you use your motor for

The use that you chose is noted on your policy schedule. To have sufficient cover, it's vital that you insure your motor for the correct use:

- Private use is for private or social purposes, including driving between your home and regular place of work.
- Business use includes private use with additional cover, for instance where the motor forms an essential part of any work or function (It basically means that without your motor you can't really make a living).



## Keeping it safe

You may need to fit an anti-theft device in your motor, the details of which will be confirmed with you when you take out your policy with us and which will also be noted on your policy schedule. Where a tracking device is a condition of cover, you need to inform the relevant tracking company as soon as reasonably possible should a theft or hi-jacking take place.

## Keep us informed

If, during cover provided by this section, your driver's licence or the driver's licence of your authorised driver is endorsed, suspended or cancelled, or if he/they are charged or convicted of negligent, reckless or improper driving, you must let us know immediately following your knowledge of this fact.

Remember, incorrect details = incorrect cover.

## Section A: Loss or damage

### What's covered by the king

Loss of, or damage to, any motor described on your schedule, its accessories and spare parts (while on or in the motor). In addition, if the motor can't be driven following any loss or damage covered by this policy, we'll pay the reasonable cost for the storage and towing of the motor to the nearest repairer.

We'll also pay the reasonable cost of delivery of the motor to you after repairs, not exceeding the reasonable cost of transport to your permanent address in South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi or Mozambique.

Cover for loss or damage doesn't include:

- Consequential loss, as a result of any cause whatsoever, depreciation in value whether arising from repairs following a claim for loss or damage for which you're covered, or otherwise, wear and tear, mechanical, electronic or electrical breakdowns, failures or breakages.
- Damage to tyres by braking or by road punctures, cuts or bursts.
- Damage to springs/shock absorbers due to poor road conditions or any other surface, or due to impact with potholes.

## The insured value

The insured value that's shown on your policy schedule simply refers to what it's covered for, either the agreed value or retail value. In the event of a claim, the maximum amount that we'll pay is the total insured value of your motor minus:

- The basic excess amount that's payable by you, as noted on your policy schedule for each type of claim.
- Any additional excess amounts that are payable by you, if applicable and if it's noted on your policy schedule for that type of claim.
- Any dual insurance, meaning if you're covered for the same amount at another insurance company, we're only liable for our portion of it.
- Betterment values, if applicable.

If the motor is financed, we'll first pay the outstanding settlement over to the relevant finance institution, up to the maximum insured value. This excludes settlement penalties and interest charges on arrear payments that your finance institution may charge. The balance, if any, will be paid to you.



**Please note: Should your motor be stolen, hi-jacked or written off and we find that it's registered as a code 3 motor, we'll pay you up to 70% of what it's worth in the Auto Dealers' Guide.**

The insured value of your motor and its accessories is determined by the Auto Dealers' Guide. This guide takes the age, mileage and condition of your motor and accessories into account. Should the motor not be listed in the guide, we'll then establish its reasonable value from a suitable source.

If the motor has been hi-jacked or stolen and not recovered, or if it has been written off, we'll then pay the insured value, including the value of any specified, non-standard, factory-fitted accessories, according to the values determined by the Auto Dealers' Guide.

## Countries where you're covered

Your motor is covered in South Africa, Botswana, Lesotho, Mozambique, Namibia, Swaziland, Malawi and Zimbabwe.

## Section B: Liability to others

## What's covered by the king

Any accident caused by, through or in connection with any motor noted on your schedule, or in connection with the loading and/or unloading of the motor in respect of which you and/or any passenger becomes legally liable to pay costs and expenses of:

- Death of, or bodily injury to, any person, but excluding death of, or bodily injury to, any person you employ, arising from and in the course of their employment or being a member of your household.
- Damage to property other than property belonging to, or held in trust by, you or in your custody or control, or being conveyed by, loaded onto or unloaded from the motor.

### **We will also, in terms of and subject to, the limitations and purpose of this 'liability' cover:**

- Pay all costs and expenses for representation at any inquest or inquiry into any death for which you have claimed under this cover, or for defending, in any magistrate's court, any criminal proceedings in respect of any act causing or relating to any event for which you have claimed. The total amount we'll pay for the claim, together with any costs and expenses, will not exceed the maximum amount noted on your policy schedule for 'liability' cover.
- Cover for any person who is driving or using the motor on your instruction or with your permission, provided that:
  - The person will, as you would, observe, fulfil and be subject to the terms, exceptions and conditions of this insurance cover, in so far as they can apply.
  - The person driving the motor has not been refused any motor insurance cover or renewal of cover by any insurer (including us).
  - Cover will not apply to claims made by any member of the same household as the person who is driving.
  - The person is not covered under any other policy, except for any amount which you can't claim for under this policy.
- Cover you while personally driving or using any private-type motor car not belonging to you, not leased or hired to you under a lease or suspensive sale agreement, provided you're an individual and has, under this policy, insured a motor (other than a motorcycle, bus or trailer), and provided we won't be liable for damage to the motor itself.
- Cover for liability arising from the towing by a motor (other than for reward) of any other motor or trailer (including liability in connection with the towed motor or trailer), provided we won't be liable for damage to the towed motor or trailer itself, or the property in or on it.

## What's NOT covered by the king

- Any compensation or claim which falls within the scope of any compulsory motor insurance legislation, irrespective of whether there is no cover in force or has been effected.
- Death of, or injury to, any person being carried in or on, or entering or getting onto or out of, a commercial motor, motorcycle, bus or trailer at the time of the incident for which you can claim (except any person being carried in or upon, or entering or getting onto or out of, a permanently enclosed passenger-carrying compartment of a commercial motor with a carrying capacity not exceeding 1,500kg).
- Liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the motor) of any tool or plant forming part of, attached to or used in connection with, a motor, or anything manufactured by or contained in any such tool or plant. This exclusion will not apply to forklift trucks.



**Please note: The maximum amount we will pay is noted on your policy schedule.**

## Section C: Medical expenses

### What's covered by the king

- If an occupant, anywhere in the motor or a permanently enclosed compartment designed for carrying passengers, sustains bodily injury by violent, accidental, external and visible means, we will pay you the medical expenses incurred as a result of the injury up to R2,000 per injured occupant.
- We will pay a maximum amount of R25,000 in total for all the occupants who were injured as a result of an incident or series of incidents caused by 1 single event. Medical expenses include any costs incurred to free the injured occupant from the motor, and the costs of transporting the injured occupant to a place where medical treatment can be given.
- The amount we pay will be reduced by any amount recoverable under any workmen's compensation laws or similar legislation.
- You will only have 'medical expenses' cover if the motor involved in the incident is comprehensively covered for loss or damage to the motor itself under this policy, and is a private-type motor or motorised caravan, or any other motor other than a bus or taxi.



## What else is covered by the king

### Cross liabilities

Where more than 1 insured person is named on your schedule, we'll cover each insured person separately and not jointly, and any liability arising between them will be treated as though separate policies had been issued to each, provided that our aggregate liability will not exceed the limit of indemnity that's stated on your policy schedule.

### Fire extinguishing charges

Any reasonable costs incurred by you, relating to the extinguishing or fighting of fire, will be deemed to be damage to the insured property and will be payable in addition to any other payment for which we may be liable to pay in terms of this section, provided that you're legally liable for these costs and the insured property was in danger from the fire.

### Principals

The exception which applies to any claim arising from contractual liability will not apply to Section B, to the extent required by the conditions of any contract of the Building Industries Federation of South Africa, and in connection with any liability arising from the performance of such contract, or any principal named in such contract entered into by you for the purposes of the business, provided that our liability will not exceed the limit of indemnity that's stated on your policy schedule.

### Waiver of subrogation rights

For the purposes of this section, we waive all rights of subrogation or action which we have or acquire against any other person covered by this section, and each person will observe, fulfil and be subject to the terms, exceptions and conditions (both general and specific) of this section in so far as they can apply to them.

This clause will not apply where the driver of the motor at the time of the incident for which you have claimed, was under the influence of alcohol, failed a breathalys-er test, had a blood alcohol level in excess of the legal limit or was not licensed to drive that motor.

## Optional cover

### Cover more. Pay a little more

You may choose to add the following options to your basic motor cover. If so, it will only be covered if it's separately noted on your schedule and an additional premium is paid.

### Contingent liability

The cover under 'liability to others' includes claims made against:

- You in the event of an accident arising in the course of the business and caused by, through or in connection with, any motor which is not the property of or provided by you, while being used by your partner, director or employee ('such person').
- Any such person in the event of an accident arising in the course of the business and caused by, through or in connection with any motor not belonging to him or you, or leased or hired by either him or you, but only in so far as such person has not been refused any motor insurance or renewal of cover by any insurer (including us).

Provided that:

- The exclusion that provides that cover for 'liability to others' doesn't include cover for death of, or injury to, any person being carried in or on, or entering or getting onto or out of a commercial vehicle, motorcycle, bus or trailer at the time of the incident for which you can claim (except any person being carried in or on, or entering or getting onto or out of a permanently enclosed passenger-carrying compartment of a commercial motor with a carrying capacity not exceeding 1,500kg), will not apply.
- We won't be liable for loss of, or damage to, the motor itself being used for the purposes and in the manner described above.
- The payment of subsidies or travelling allowances by you to such person for the use of his own motor for your official purposes, including the carriage of people for those purposes, is allowed without prejudice to the cover provided by this 'optional' cover.
- If, at the time of any accident for which you can claim under this 'optional' cover, you or such person is entitled to claim under any other policy for the same incident, we won't be liable to make any payment hereunder, except for any excess beyond the amount payable under the other policy.
- The terms, exclusions and conditions of the policy will otherwise apply.

## **Credit shortfall**

If any total loss settlement is less than the amount owing to the financier under a current instalment sale or lease agreement, we will pay the financier amount equal to the shortfall, less:

- Any arrears instalments or rentals, including interest payable on such arrears.
- All refunds of premium for cancellation of any insurance cover relating to the motor.
- The increased instalment or rentals that would have been paid had there been no residual capital value at the end of the finance period, calculated to the month in which the claim is settled.
- The excess.

Provided always that:

- The maximum amount we'll pay for that motor is noted on your schedule.
- This endorsement will not apply to an agreement whereby the amount of any single instalment, other than the final residual amount after the initial payment, differs by more than 10% from any other instalment.
- If the shortfall is as a result of a re-advance.

## **Loss of keys**

We'll cover you for the cost of replacing locks and keys, including the remote alarm controller and, if necessary, the reprogramming of any coded alarm system of any insured motor, following the disappearance of any key or alarm controller of the motor, or following upon you having reason to believe that any unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that:

- Our liability will not exceed, in respect of any 1 incident, the amount stated on your schedule.
- The claim amount will be reduced by the first amount payable, as stated on your schedule.

## **Parking facilities and movement of third party motors**

You're covered in respect of accidents caused by, through or in connection with the moving of any motor (not owned or borrowed by or hired or leased to you) by any person employed by you or acting on your behalf, provided always that such motor was being moved:

- With the authority of your tenant, customer or visitor.
- In connection with your parking arrangements.
- To facilitate the carrying out of your business.

And provided further that this 'optional' cover will not apply in respect of damage to motors which are parked for reward.



**Please note: For the purpose of this 'optional' cover, the motor (and its contents) will not be deemed to be held in your trust, custody or control.**

## Passenger liability

The following exclusion to Section B will not apply where you have selected this cover.

Cover for 'liability to others' doesn't include cover for:

- Death of, or injury to, any person being carried in or on, or entering or getting onto or out of a commercial vehicle, motorcycle, bus or trailer at the time of the incident, for which you can claim (except any person being carried in or upon, or entering or getting onto or out of a permanently enclosed passenger-carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1,500kg).



**Please note: The exclusion above will still apply to special motors. The maximum amount that we will pay is the amount stated on your policy schedule.**

## Riots and strikes

You're covered for loss of, or damage to, the insured property, due to:

- Civil commotion, labour disturbances, riots, strikes or lockouts.
- The act of any lawfully established authority in controlling, preventing, suppressing, or in any other way dealing with, any occurrence referred to above.

You're not covered:

- Where the damage occurs within South Africa or Namibia, unless specific 'riots and strikes' cover has been obtained.
- For consequential loss of any nature, other than loss of rent or the cost of alternative accommodation.
- For loss due to the detention or confiscation of money by any lawfully constituted authority.
- For damage or loss caused by stoppage, slowing down or the interruption of work or any process.
- For loss due to war, acts of a foreign enemy, or warlike operations (whether war be declared or not) or civil war.
- For loss due to a military uprising or usurped power, martial law, rebellion or revolution that determines the proclamation or maintenance of martial law.

- For loss due to any act (whether on behalf of any organisation, body, person or group of persons) calculated to overthrow or influence any state, government, provincial, local or tribal authority with force, fear, terrorism, violence or protest against them.
- For loss due to any act that is calculated to bring about loss or damage in order to further any political aim, to bring about any social or economic change.
- For loss due to any act of terrorism including the use, or threat of use, of force or violence by any person or group (whether acting alone or on behalf of another), with the intention to influence any government or to inspire fear in the public.
- For loss due to the act of any lawful authority in any other way dealing with any occurrence referred to in any of the clauses above.

**\* Please note: If your claim is rejected because we say that 1 or more of the above exclusions apply, then you will have the onus of proving the contrary.**

## Unauthorised passenger liability

The cover provided under Section B includes cover for your legal liability for the death of, or bodily injury to, persons while being carried in or on, or entering or getting onto or out of any motor in contravention of your instructions to your driver not to carry passengers. The following exclusion to Section B will not apply where you have selected this cover.

Cover for 'liability to others' does not include cover for:

- Death of, or injury to, any person being carried in or on, or entering or getting onto or out of a commercial vehicle, motorcycle, bus or trailer at the time of the incident, for which you can claim (except any person being carried in or upon, or entering or getting onto or out of a permanently enclosed passenger-carrying compartment of a commercial vehicle with a carrying capacity not exceeding 1,500kg).





**Please note: The maximum amount that we'll pay is the amount stated on your policy schedule.**

## Wreckage removal

Loss of, or damage to, the motor covered, includes the costs and expenses incurred by you for the clearing up and removal of debris and wreckage of any insured motor following damage to the motor for an incident for which you can claim, provided that, in addition to the limit of indemnity, our liability under this 'optional' cover will not exceed, in respect of any 1 occurrence, the limit stated on your schedule.

## What's NOT covered by the king



**Please note: The following applies to all motor cover options.**

You're not covered for any accident, injury, loss, damage or liability:

- Whilst the motor is being used with your general knowledge and consent, otherwise than for the use for which it's specified.
- Incurred outside South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Mozambique and Zambia, but we will cover you for loss of, or damage to, any motor while in transit by sea or air between ports or places in these territories, including loading and unloading incidental to such transit. In the event of any incident for which you can claim whilst the motor is outside South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Mozambique and Zambia, you will, at your own expense, be solely responsible for the repatriation costs of the motor to any of the other covered aforesaid territories. Until the motor has been repatriated to the covered territory, no liability will be admitted or payments made in terms of the cover provided.
- Incurred while any motor is being driven by:
  - You, whilst under the influence of intoxicating liquor or drugs (unless administered by or prescribed by and taken in accordance with the instructions of a member of the medical profession other than himself), or while not licensed to drive such a motor.

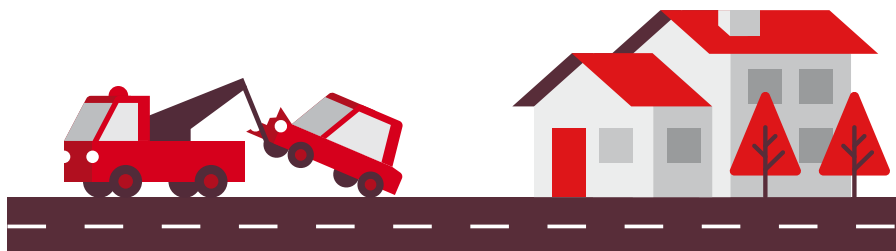
- Any other person who, with your general consent or to your knowledge, is under the influence of intoxicating liquor or drugs (unless administered by, or prescribed by and taken in accordance with, the instructions of a member of the medical profession other than himself), or who is not licensed to drive the motor. This will not apply if you were unaware that the driver was unlicensed and you can prove to our satisfaction that, in the normal course of your business, procedures are in operation to ensure that only licensed drivers are permitted to drive the insured motor.

Provided that any driver will be deemed to be licensed to drive the motor:

- If he is complying with the licencing laws relating to any of the territories referred to above.
- If the non-compliance with any licensing law is solely because of failure to renew any licence subject to periodic renewal.
- If a licence is not required by law.
- While the driver is learning to drive and is complying with the laws relating to learner drivers.

\* **Please note: The term ‘licensed’ includes the requirement of having a Professional Driving Permit in addition to a driver’s licence for those motor types requiring such permits by law.**

- We won’t be liable for any claim arising from contractual liability, unless liability would have attached to you whether the agreement was entered into or not.



# Section 10: Claims preparation costs



**In a nutshell...** We'll cover the costs of certifying or verifying any information or details that we require from you in order to substantiate any valid claim made under this policy.

## What's covered by the king

We'll pay the reasonable costs that you incur in certifying or verifying any particulars or details that we require to substantiate the amount of any valid claim made under this policy.

## Let's talk money

We'll pay up to the limit as stated on your policy schedule.

## What's excluded

We won't pay any costs incurred without our written consent. We'll also not pay your internal or overhead expenses or for the cost of your time, including that of an office bearer or your employee.





# The king's geyser guard

## It's all about you

### Our promise to you

We agree to provide you with the cover set out below on condition that your premium due to us has been paid.

Remember, no payment = no cover.

This cover is active for the period of insurance which is stated on your policy schedule. We'll cover you for any loss or damage that occurs during this period, provided you comply with all of the terms and conditions of this policy.

We won't pay more than the sum insured for each system or device, which is stated on your policy schedule, unless otherwise agreed.

### Who's insured

Persons, organisations or institutions shown as the insured on your policy schedule and referred to as you, your, yourself, or the insured.

### When it starts

The commencement date (start date) of your cover is the date on which we agreed that the policy should start. The first premium must also be paid by this date. Your cover period can be monthly, quarterly, bi-annual or annual.

### Paying your premium

Your policy will not start until you've paid your premium. We'll tell you on your policy schedule how much you have to pay and when you need to pay it by. The due date for payment will be the first day of each calendar month where the period of insurance is monthly, and the first day of:

- Each quarter.
- Every 6 months.
- Every 12 months.

Where the period of insurance is for 3, 6 or 12 months respectively.

Unless we tell you otherwise, any payment reminder we send you doesn't change the expiry or due date.



**Please note: You always pay for insurance in advance.**

### **And if you don't pay**

Let's say your debit order is returned by your bank, and your insurance premium due to us isn't paid as a result of that:

- You'll have a grace period of 15 days from the due date to correct the situation and pay us. If this is a monthly policy, the 15 day grace period will apply from the second month that you are insured with us.
- If no premium is collected during this period, the policy will be cancelled from the due date.
- Should any incident happen for which you want to claim during the 15 day grace period, the approval of the claim will only be considered once we've received your premium payment in full, and no later than the 15th day of the grace period.

So, to ensure continuous, peace of mind cover, please make sure that there's enough money in the bank account every month, on the date that you asked us to debit your premium.



**Please note: If we don't receive the payment for 2 consecutive deductions in a row, we'll immediately cancel your entire policy and you'll no longer enjoy cover. Remember, no premium = no cover.**

### **Need a change**

You may make changes to your policy at any time by simply calling or emailing us. If you make changes to your policy, you may need to pay an additional premium, or you may be entitled to a refund.

Any change you make will be effective from the time and date agreed to. An updated policy schedule will then be sent to you. In such a case, please check that the changes were made just as you had requested.

Remember, incorrect details = incorrect cover.

King Price may also make changes to your policy as and when we deem it necessary to do so. When we do, we'll give you 30 days' notice.

## **If you want to leave us**

Let's hope that you never need to make use of this section, but just in case:

- You may cancel your policy at any time and with immediate effect. If you do, we'll refund the relevant portion of your premium less any administrative cost, provided that no valid claims have been submitted for that period.
- We may also cancel your policy by giving you 30 days' notice. We would do so by email or by post to your last known address.

Your policy will automatically cancel when your monthly premiums are not paid on either the due dates or within the grace period. Your policy and cover will end on the final day of the period for which you last paid your premium.

## **The stuff you need to do**

You must exercise all reasonable precautions for the maintenance and safety of the insured geyser/s, as well as prevent or minimise any loss or damage.

## **What do we mean**

### **By 'geysers' we mean**

Any system or device (excluding boilers) used solely for the heating of water, including valves and components within 1 metre from the system or device.

### **By 'electric geyser' we mean**

A domestic electric storage water heater including element, thermostat, safety valve, drain-cock, float valve where applicable, associated valves (e.g. pressure reducing and relief valves, vacuum breakers, isolating valves), drip trays and piping.

### **By 'heat pump' we mean**

A domestic air source water heating heat pump system, including compressor, electronic control device, evaporator and circulating pump.

### **By 'solar system' we mean**

A low-energy intensive system that uses solar rays to heat water and consists of a solar tank, solar collector (flat plate or evacuator tube), thermal lagged piping and the fittings related to them, TP valve, ball and relief valves, safety valve, anode, vacuum breakers, thermostat, SANS approved timer and anti-freeze.

## By 'water heating valves' we mean

Pressure reducing and relief valves, vacuum breakers and dedicated isolating valve.

## What's covered by the king

We'll cover loss or damage directly or indirectly caused by, attributed to or arising from bursting, rupturing, leaking, rust, decay, gradual deterioration, wear and tear and splitting of your geyser/s at the address noted on your policy schedule.

## The king's additional benefit

If we accept and pay any claim made under your geyser guard policy, the following additional benefit will also be covered, provided that the amount recoverable does not exceed the sum of the insured cover, as stated on your policy schedule.

We'll cover any water damage due to the leaking or bursting of the geyser/s that are stated on your policy schedule.

## What's NOT covered by the king

We won't cover any boiler and/or geyser with a cylinder capacity greater than 300 litres. We'll also not cover any geyser/s that are still covered by a manufacturer's warranty, except if the manufacturer is no longer in a position to honour the warranty.

## Let's talk money

We'll pay the reasonable cost to repair or replace the geyser/s resulting from any damage which is not excluded under this section, occurring during your period of insurance.



**Please note: The maximum amount that we'll pay is the sum insured, which is stated on your policy schedule.**

## Optional cover

### Cover more. Pay a little more

You may choose to add the following option to your geyser cover. If so, it will only be covered if it's separately noted on your policy schedule and an additional premium is paid.

### Environmental upgrade

If a claim for damage to the geyser has been accepted by us and your damaged geyser is an electrical geyser and you choose to replace it with a more environmentally friendly product, such as a solar geyser, heat pump or any other technology that will improve energy and water efficiency, we'll happily pay the amount we would've paid to replace the damaged geyser plus an additional percentage of the geyser replacement limit as stated on your policy schedule.

## Important information

### Claims installation conformance

Replacement geysers must be approved by the South African Bureau of Standards (SABS) with a 5 year (or longer) manufacturer's warranty and must be operated and maintained according to the manufacturer's warranty.

All repair or replacement parts must comply with South African National Standards (SANS). Installations that do not conform to a SANS code of practice or a manufacturer's installation requirements will be upgraded to conform and such betterment costs will be for your own account.

King Price reserves the right to settle the claim in cash in such instances, up to the amount that's stated on your policy schedule.



**Please note: Electrical geysers must be SANS 151-approved.**

Solar systems:

- Must be SANS-1307 approved.
- A PIRB (Plumbing Industry Registration Board), COC (Certificate Of Conformance) must be issued for the installation of a solar system.
- Must also be inherently designed against frost and freeze conditions.

Heat pumps:

- Must be SANS 151-approved.
- A PIRB (Plumbing Industry Registration Board), COC (Certificate Of Conformance) must be issued for the installation of the heat pump.

## **Service providers**

The king hereby reserves the right to require that an approved King Price service provider of our choice attend to your claim. Should you request that we rather make use of a service provider of your choice, we'll only reimburse you at the rates shown on your policy schedule, after we have inspected the salvage and installation for SANS compliance, if applicable.

There will be no excess payable if repair or replacement of the geyser was done by an approved King Price service provider. However, you will need to pay the first portion of each and every claim as stated on your policy schedule if the repair or replacement was done by a non-approved King Price service provider.

## **Salvage**

The damaged geyser that is replaced by our approved service provider or paid for on a cash-in-lieu settlement basis, becomes property of the king as part of his salvage collection.

## **What's excluded**

We won't pay for:

- Any condition required by the government or local authority of which they had notified you, or with which you had been required to comply, before the damage occurred.
- Loss or damage, directly or indirectly caused by, contributed to or arising from a faulty or defective design.
- Loss or damage, directly or indirectly caused by, contributed to or arising from the failure of, deliberate withholding and/or the lack of the supply of water, gas, electricity or fuel.
- Damage to solar systems and the resultant damage to the building, where the roof structure was not capable of bearing the additional weight of the installation.
- Any cost associated with maintenance services as required by the manufacturer of the geyser.
- The call out cost to attend to ripple relays, faulty circuit breakers or a tripped isolator switch, earth leakage or geyser main.

## Our claims procedure

The king and his court are committed to settling all valid claims as quickly as possible. If you do sadly find yourself in this unfortunate position, you can submit your claim in any of the ways mentioned below so that we can sort out your claim as quickly and smoothly as possible.

To make your life that much easier, you can start your geyser claim immediately by logging it on the King Price app. And if you make use our simple app, we'll reward you by waiving your excess, provided that you complete all the required fields on the app and the claim that you have submitted is confirmed as a valid geyser claim.

The King Price app is available on Android, Apple, Blackberry and Windows mobile phone devices and can be downloaded from your device's app store. Simple as 1, 2, 3.

Our app is just 1 of many of the king's innovative channels. You can also call us on 0860 11 11 07 to submit your claim or if your prefer, you can do so via our self-service portal which is designed to simplify the process, make your life a little easier and keep our promise of royal service. Your choice, our pleasure.

