



## Fire – Tobacco (field to floor)

### Defined events

The company shall indemnify the insured for loss or damage due to fire or lightning to tobacco described in the schedule during the period of insurance and at the locations described in the schedule

Provided that:

1. the company shall not pay more than the reasonable market value of the property insured immediately prior to the loss or damage less picking, packing, baling, transport and other costs to the purchaser, agent, co-operative company's warehouse or depot where the insured first delivers his tobacco
2. the company's liability shall not exceed the sum insured stated in the schedule.

The insurance under this section includes the tobacco from the moment it is picked, bundled, piled, baled, stacked and contained loose or in bags in the fields where it has been picked and whilst in transit to the point of delivery as per proviso 1 above and in any place where it is stored prior to being sold.

This section also includes any such number of empty bags on the lands or at the stacks as may be required for the normal activities of one day.

### Specific exceptions

The company shall not be liable to pay for any claims of whatsoever nature resulting from:

1. Loss or damage to the property insured caused by spontaneous fermentation, natural heating or spontaneous combustion thereof or by reason of it undergoing any process of heating or drying.
2. Loss or damage caused by or through or as a result of:
  - (a) burning of property on the instructions of any public authority
  - (b) subterranean fire
  - (c) explosion unless caused by explosion of gas used for lighting or domestic purposes in a building not used for the manufacturing of gas and not forming part of a gas factory.
3. Claims notification

Notwithstanding anything contained in General condition 7(a) to the contrary the company shall not be liable for loss of or damage to tobacco which is discovered after the expiry of 7 (seven) days from the date of any occurrence which have occurred and which may give rise to a claim in terms of this section.

### Clauses and extensions

This section is extended to include the following:



## **A. In respect of property contained in fully enclosed buildings only**

### **1. Special perils**

Loss of or damage to property described herein directly caused by the following:

- (a) storm, wind, water, hail or snow excluding destruction of or damage to property:
  - (i) arising from any process necessarily involving the use or application of water
  - (ii) caused by tidal wave originating from earthquake or volcanic eruption
  - (iii) in the underground workings of any mine
  - (iv) in the open
  - (v) in any structure not completely enclosed and completely roofed
- (b) aircraft, other aerial devices or articles dropped therefrom
- (c) impact by animals or vehicles excluding destruction of or damage to such animals, vehicles or property in or on such vehicles.

This extension does not cover the following:

- (a) wear and tear or gradual deterioration
- (a) destruction or damage caused or aggravated by:
  - (i) leakage or discharge from any sprinkler or drencher system in the buildings insured hereby or in any building containing the property insured hereby
  - (ii) subsidence or landslip
  - (iii) the insured's failure to take all reasonable precautions for the maintenance and safety of insured property or for the minimisation of any destruction or damage.

### **2. Earthquake**

Destruction or damage by fire or otherwise of or to the insured property caused directly by earthquake excluding any loss or damage (except loss or damage by fire) arising directly or indirectly from any mining operations.

### **3. Explosion**

Destruction or damage by fire or otherwise to the property directly caused by explosion

Provided that:

destruction or damage is not excluded in accordance with Specific exception 2(c).



#### **4. Spontaneous combustion**

Damage only by fire to the entire or a portion of the property insured (in terms of which this extension applies) caused by its own spontaneous fermentation, natural heating, or spontaneous combustion of such property insured

Provided that:

destruction or damage is not excluded in terms of Specific exception 2.

#### **B. In respect of property in transit**

Loss or damage to property in transit from the farm to the purchaser, agent, cooperative company or depot where the insured normally delivers his tobacco first

Provided that:

except for loss by fire the insured shall be responsible for the first N\$500 (five hundred Namibia Dollar) in respect of each and every claim.

#### **C. Malicious damage**

This section is extended to cover damage directly occasioned by or through or in consequence of the deliberate or wilful or wanton act of any person committed with the intention of causing such damage, other than damage to:

(a) movable property which is:

- (i) stolen
- (ii) damaged in an attempt to remove it or part of it from any premises owned or occupied by the insured

(b) movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured

(c) immovable property owned or occupied by the insured occasioned by or through or in consequence of:

- (i) the removal or partial removal or any attempt thereof of
- (ii) the demolition or partial demolition or any attempt thereof of

the said immovable property or any part thereof with the intention of stealing any part thereof

Provided that:

this extension does not cover:

- (a) loss or damage related to or caused by fire or explosion
- (b) consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured



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

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

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

During the period of the initial unoccupancy of 30 (thirty) consecutive days, the insured shall become a co-insurer with the company and shall bear a proportion of any damage equal to 20% (twenty percent) of the claim before deduction of any first amount payable.

#### **D. Riot and strike (If stated in the schedule to be included)**

In consideration of the payment of an additional premium and subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein, this section is extended to cover loss or damage directly occasioned by or through or in consequence of:

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

Provided that this extension does not cover:

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

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



## Specific conditions

### 1. Tenants

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

### 2. Fire extinguishing charges

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

Provided that:

the company's liability shall not exceed N\$10 000 (ten thousand Namibia Dollar).

### 3. Railway and other subrogation

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

### 4. Underinsurance

If on the commencement of any destruction of or damage to property insured by any insured peril the value of the property insured is collectively greater than the sum insured thereon, the insured shall be considered his own insurer for the difference and shall bear a rateable proportion of the loss accordingly. Each item insured, if more than one, shall be separately subject to this condition.

## Warranties

### Warranty 1

Warranted that the company shall not be liable for damage caused by water unless the roof of the building in which such water damage occurred sustained physical and visible damage by any of the perils insured and that water penetrated the building

Provided that:

the company shall be liable for destruction of or damage to property caused by flooding which for these purposes shall mean:

- (i) the flooding or diversion of water out of normal watercourses or from natural or manmade watercourses
- (ii) the flow of or accumulation of water on the ground except the flow or accumulation of water from waterpipes, taps, valves, gutters or gutter downpipes.



### **Warranty 2**

Warranted that no fodder of any kind shall be stored in the buildings which are utilised for the processing or storing of leaf tobacco.

### **Warranty 3**

Warranted that all tobacco waste is swept up and removed from the sorting or storing barns daily.

### **Warranty 4**

Warranted that no drying of tobacco is done by means of flue curing.

### **Warranty 5**

Warranted that the insured shall in writing keep record of quantities of tobacco which are on his/her premises daily namely:

- Tobacco in kilns
- Tobacco in the process of being processed
- Processed tobacco already baled and still in stock and
- Tobacco already marketed

Such records must be kept separately in safe custody away from the tobacco sheds and kilns and must be available in the event of fire damage or loss to determine the damage.

### **Warranty 6**

Warranted that the temperatures in the tobacco stacks and humidity around the tobacco stacks from the time the stacks are packed and until it is unloaded from the stacks for further processing and/or treatment thereof be monitored at least twice a week and that proper written record of each stack shall be kept separately and that the company may at any time be entitled to examine the insured's records in respect of stack temperature and humidity reading.

Otherwise subject to the terms, conditions and exceptions of this section and policy.

## **Memoranda**

### **Memorandum 1: Applicable to tobacco**

In the event of loss or damage to property insured caused by fire or lightning as described in this section the company's liability shall be limited to:

- (a) 85% (eighty five percent) of the sum insured, in respect of property insured inside buildings or N\$1 275 000 (one million two hundred and seventy-five thousand Namibia Dollar) in value whichever is the lesser unless otherwise agreed in writing between the company and the insured
- (b) 75% (seventy five percent) of the sum insured, in respect of property insured:
  - (i) left picked in the fields in the process of preparation and gathering
  - (ii) left baled and/or bundled in the fields in the process of gathering
  - (iii) packed in a stack/pile/heap or packed in a group of stacks/piles/heaps constituting one fire risk exceeding N\$250 000 (two hundred and fifty thousand Namibia Dollar) in value



Provided that:

the liability of the company in respect of any single event shall not exceed N\$1 125 000 (one million one hundred and twenty-five thousand Namibia Dollar)

- (c) 85% (eighty five percent) of the sum insured, in respect of property insured packed in a stack/pile/heap or packed in a group of stacks/piles/heaps constituting one fire risk not exceeding N\$250 000 (two hundred and fifty thousand Namibia Dollar) in value

Provided that:

- (i) the liability of the company shall be limited to 85% (eighty five percent) per building in respect of memorandum 1 (a) above
- (ii) the liability of the company shall be limited to 75% (seventy five percent) of the sum insured or N\$337 500 (three hundred and thirty seven thousand five hundred Namibia Dollar), whichever is the lesser, in respect of memorandum 1 (b) (iii) above unless otherwise agreed in writing between the company and the insured
- (iii) the liability of the company shall be limited to 85% (eighty five percent) of the sum insured or N\$212 500 (two hundred and twelve thousand five hundred Namibia Dollar), whichever is the lesser, in respect of memorandum 1 (c) above
- (iv) these memoranda shall apply separately to every stack/pile/heap, group of stacks/piles/heaps constituting one fire risk and per building
- (v) in the event of any existing insurance the company shall be liable only for its proportionate share of:
  - (a) 85% (eighty five percent) in respect of memoranda 1 (a) and 1 (c) above and
  - (b) 75% (seventy five percent) in respect of memorandum 1 (b) (iii) above of the sum insured
- (vi) the insured shall be considered his own insurer for 15% (fifteen percent) in respect of Memoranda 1(a) and 1(c) above and/or 25% (twenty five percent) in respect of memorandum 1(b) (iii) above of the sum insured, and shall bear 15% (fifteen percent) of any loss in respect of memoranda 1(a) and 1(c) above and/or 25% (twenty five percent) of any loss in respect of memorandum 1(b)(iii) above
- (vii) preparation, baling, transport, handling and other costs not incurred by the insured shall be deducted from the claim except as defined in memoranda 1(a), 1(c) and 1(b)(iii) above;
- (viii) one or more stacks/piles/heaps or groups of stacks/piles/heaps collectively not exceeding N\$450 000 (four hundred and fifty thousand Namibia Dollar) in value and situated at least 100 (one hundred) metres from each other shall be deemed to constitute one fire risk.

Memorandum 2: Additional first amount payable (where applicable)

Over and above any other first amount payable already determined the insured shall be responsible for an additional first amount payable of 15% (fifteen percent) of the insured value unless the following conditions are strictly adhered to:



- (a) an area of at least 10 (ten) metres wide shall be kept free from all flammable materials around every stack/pile/heap or group of stacks/piles/heaps constituting one fire risk
- (b) an area of at least 5 (five) metres wide shall be kept free from all flammable materials and/or combustible vegetation around every building or kiln in which tobacco is stored, sorted and/or dried.

### **Memorandum 3: Declaration agreement (field to floor tobacco)**

The premium payable hereon is provisional and is calculated on the basis of the insured's estimated value of the total tobacco crop on the farm(s) stated in the specification and the insured undertakes to declare to the company at the end of the season the total value of the stated crop as determined by the sale thereof. If the total value declared be more or less than the estimated figure on which the premium has been paid then the difference in premium calculated at the rate applicable on this section shall be paid by the insured or be refunded to the insured as it may be

Provided that:

if a claim occurred under this section the amount paid or payable in respect thereof will be included in such declaration.

### **Memorandum 4: Tobacco only**

It is hereby declared and agreed that the property insured in terms of this section consists of air-cured tobacco (excluding burley) only.