

Defined Events

- 1 Damage by the perils described in sub-section A to the buildings including all outbuildings thereto (constructed of brick, stone, concrete or metal on metal framework and roofed with slate, tiles, metal, concrete or asbestos unless otherwise stated in the schedule), landlord's fixtures and fittings, walls (except dam walls), gates, posts and fences (excluding hedges), sporting and recreational structures including landlord's fixtures and fittings therein and thereon, plant, equipment and other structures and improvements of a permanent nature, fire extinguishing equipment, railway sidings, tenants fixtures and fittings (if stated in the schedule to be included), tarred, concrete and paved roads, driveways, paths, parking areas and patios situate as stated in the schedule
- 2 Loss of rent as provided for in sub-section B
- 3 Replacement of geysers as provided for in sub-section C
- 4 Maintenance of geysers as provided for in sub-section D

Sub-section A - Property

1 Fire

fire, lightning, thunderbolt, subterranean fire, explosion

2 Aerials

accidental loss or damage, breakage or collapse of radio or television aerials or masts or satellite dishes.

3 Aircraft

aircraft or other aerial devices or articles dropped there from

4 Bursting

bursting or overflowing or leakage of water or oil from any tanks, apparatus or pipes including loss of or damage to such tanks apparatus or pipes excluding loss or damage:

- 4.1 to the contents of such tanks, apparatus or pipes
- 4.2 to geysers as defined under sub-section C (Geyser replacement)
- 4.3 as a result of visible wear or tear or gradual deterioration, rust, corrosion, mildew or damp;
- 4.4 as a result of subsidence or landslide;
- 4.5 as a result of the insured's failure to take reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage.

5 Earthquake

earthquake

6 Glass and sanitaryware

accidental breakage of fixed glass and sanitaryware in the buildings insured herein provided that the company shall not be liable for:

- 6.1 the first amount payable as stated in the schedule for this peril;
- 6.2 damage caused by chipping, scratching and other disfiguration;
- 6.3 more than N\$15 000 in the event of loss or damage to glass in or on buildings which buildings are not utilised for residential buildings.

7 Impact

impact by falling objects, animals, trees, aerials, satellites, satellite dishes or vehicles excluding damage to such falling objects, animals, trees, aerials, satellite dishes, vehicles or property in or on such vehicles

8 Pumps and machinery

accidental loss of or damage to pumps or machinery required to operate swimming pools, boreholes, sauna/spa baths, automatic gates and garage doors other than loss or damage:

- 8.1 to gate motors;
- 8.2 caused by wear and tear, lack of maintenance, or any process of cleaning repairing altering or restoring, gradual deterioration, mechanical or electrical breakdown, failure or derangement

up to the amount as stated in the schedule for any one claim provided that the insured shall be responsible for the first amount payable as stated in the schedule.

9 Storm and water

storm, wind, water, hail or snow excluding loss or damage

- 9.1 arising from its undergoing a process necessarily involving the use or application of water
- 9.2 wear and tear or gradual deterioration
- 9.3 the insured's failure to take all reasonable precautions for the maintenance and safety of the property insured and for the minimisation of any destruction or damage
- 9.4 arising from mildew, damp, rising damp, rust corrosion or rot
- 9.5 caused or aggravated by subsidence or landslip
- 9.6 to retaining walls

10 Theft by forcible and violent entry or exit

theft (or any attempt thereof) accompanied by forcible and violent entry into or exit from such building. If any building insured or containing the insured property becomes unoccupied for 30 consecutive days, cover will be suspended as regards such unoccupied building unless the insured before the occurrence of damage obtains the written agreement of the company to provide cover in terms of this peril. The insured shall during the period of initial unoccupancy become a co-insurer with the company and shall bear a rateable proportion of any damage equal to 20% of the claim with a maximum of N\$5 000 000 before deduction of any first amount payable.

11 Water, sewerage, gas, electricity, telecommunications and other similar services

accidental damage to water, sewerage, gas, electricity, telecommunications and other similar services situated between the property of the insured or for which the insured is legally responsible.

Specific condition applicable to sub-section A

Average

If the property insured is, at the commencement of any damage to such property by any peril insured against, collectively of greater value than the sum insured thereon, then the insured shall be considered as being their own insurer for the difference and shall bear a rateable share of the loss accordingly. This condition shall apply to the individual units and not to the Scheme as a whole.

Clauses and extensions applicable to property insured by sub-section A

1 Accidental death and emergency expenses shortfall benefit

If any security guard, caretaker, building supervisor or gardener in the permanent employment of the insured is the victim of unlawful physical assault which occurs in the course and scope of his/her employment, the company will pay to the insured, on behalf of such employee or employee's estate, up to the limits stated in the schedule in respect of:

- 1.1 emergency costs and expenses incurred by the insured and/or employee as a direct result of such assault excluding any amounts as may
 - 1.1.1 fall within the scope of any Act in terms of which any employee may claim compensation for work related injuries. This exclusion shall apply regardless of whether or not the applicable legislative fund is capable of providing or able to provide compensation;
 - 1.1.2 be payable by a registered Medical scheme including any amounts payable from a member's Medical scheme Savings account.
- 1.2 accidental death of the employee directly caused by and occurring within three months of such assault.

The company's maximum liability under this extension per event shall be the limit as stated in the schedule.

2 Animal kennelling

The company will indemnify the insured for the cost of animal kennelling following damage to a unit or number of units where the owner(s) or tenant of the unit is required to vacate the unit in order to give effect to reinstatement and/or repair of the unit up to the limit as stated in the schedule.

3 Architect's and other professional fees clause

The insurance under this section includes professional fees (for estimates, plans, specifications, quantities, tenders and supervision) necessarily incurred in the reinstatement or replacement of the property insured following damage by a defined event, but in no case exceeding 15% of the reinstatement and/or replacement costs and provided that the total claim amount shall not exceed the sum insured on the property affected. The amount payable in respect of such fees shall not include costs incurred in connection with the preparation of the insured's claim.

4 Automatic sprinkler system update clause

Costs and expenses necessarily incurred by the insured in complying with any legal requirements to upgrade or replace undamaged portions of any automatic sprinkler system, or automatic drencher, gas or foam installation following damage by an insured peril limited to the amount stated in the schedule per event. Cover will only apply if the insured can produce evidence of a current ASIB certificate at the time of the loss.

5 Bacterial infection

The insurance under this section is extended to include costs required to procure professional contract bacterial disinfection services to the interior of any building as a result of the interior having been subjected to sewage or waste-water back-flooding. The costs are limited to the amount stated in the schedule and the insured shall be responsible for the first amount payable as stated in the schedule.

6 Capital additions

The insurance under this section covers alterations, additions and improvements (but not appreciation in value in excess of the sum(s) insured) to the property up to an amount not exceeding 15% of the sum insured on condition that the insured advises the company each quarter (or if the period of insurance is more often than quarterly, each month) of such alterations, additions and improvements and to pay to the company the appropriate additional premium thereon.

7 Cost of demolition, clearing and erection of hoardings

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

The company will not pay for any costs or expenses

7.1 incurred in removing debris except from the site of such property destroyed or damaged and the area immediately adjacent to such site

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

8 Damage to landscaped gardens

The insurance under this section includes costs up to the amount stated in the schedule reasonably and necessarily incurred by the insured and as required for the replacement of trees, shrubs, lawns, plants and fixed sprinkler installations installed on the insured property following loss or damage caused by fire, fire-fighting or other emergency services operations, explosion, impact by vehicles or aircraft or other aerial devices or articles dropped therefrom, deliberate or malicious acts but excluding theft and provided that the total amount payable shall not exceed the sum insured on the property stated in the schedule.

9 Escalator clause extension

The sum(s) insured under sub-section A of this section shall be increased as follows:

during the period of insurance the percentage specified in the schedule reflected against "current insurance period", which the number of days since the commencement of such period bears to the whole of such period;

at the time of any damage to property insured under sub-section a by any peril insured against, the sum(s) insured at such time shall be increased by the percentage specified in the schedule reflected against "further reinstatement period".

10 Fire extinguishing charges

Any costs relating to the extinguishing or fighting of fire shall be deemed to be damage to the insured property and shall be payable in addition to any other payment for which the company may be liable

in terms of this section provided the insured is legally liable for such costs and the property insured was in danger of destruction in part or in whole from the fire.

11 Furniture temporary storage and transit

In the event of damage to insured property where it becomes necessary to remove and store furniture and other personal effects belonging to any unit owner in a storage facility the company will reimburse the insured for such costs incurred per event up to the limit as stated in the schedule.

Under no circumstances will the company compensate the insured for loss or damage to such furniture or personal effects.

The costs under this extension are limited to the time period as may be reasonably required to reinstate the damaged property with an additional period of seven days added thereto.

12 Generators

If, in the event of damage to any electrical reticulation installed on the insured property by an insured peril, it becomes necessary to hire a generator(s) (including power connecting cables and reticulation) in order to continue to provide electrical power to the insured property as existed prior to such damage, then the company will pay for the costs incurred for such hire but only for the period necessary to repair or replace such electrical reticulation up to the amount stated in the schedule.

13 Home modifications – this extension only applies to residential buildings insured under this section.

The company shall at its discretion contribute up to the limit stated in the schedule towards the costs of altering or modifying any unit and/or property insured following an insured event where such event resulted in permanent disability to the owner of the unit.

14 Leakage extension

The company will indemnify the insured for damage caused by discharge or leakage from any sprinkler, drencher system or fire extinguishing installation/appliance

15 Locks and keys

The company will indemnify the insured for the cost of replacing locks, keys and access devices to the insured premises following a loss for which the company has admitted liability under peril 10 (Theft by forcible and violent entry or exit) up to the limit as stated in the schedule.

16 Loss of water

The company will indemnify the insured for the increased units of water resulting from leaking pipes in any unit or on the common property on the insured property as stated in the schedule provided that the insured may be held legally liable to pay for such costs subject to the following:

- 16.1 the company will only indemnify the insured if the meter reading for four consecutive months confirms that the average unit count of water has exceeded 50%
- 16.2 if the insured discovers a leak, either by physical evidence or from an abnormally high water bill, the insured must take immediate steps to repair the pipes at their own cost or the company will not indemnify the insured for the costs of the loss of water
- 16.3 the company will not indemnify the insured for water lost from:
 - 16.3.1 leaking taps, geysers, or toilet systems and storage tanks;
 - 16.3.2 swimming pools or leaks in their inlet or outlet pipes;
 - 16.3.3 leaks resulting where the building is unoccupied for more than 30 consecutive days.
 - 16.3.4 as a result of the deliberate act of the insured or any person acting on his behalf
 - 16.3.5 for the cost of refilling of swimming or other pools or ponds whether following leakage or otherwise
- 16.4 the insured can claim for a maximum of two separate events in every 12-month period.
- 16.5 the company will indemnify the insured up to the limit as stated in the schedule.

17 Maintenance and cleaning equipment – this extension only applies to non-residential buildings insured under this section.

This policy is extended to include cover to such equipment as a result of loss or damage caused by perils 1 (Fire), 3 (Aircraft), 5 (Earthquake), 7 (Impact), 9 (Storm and water) and 10 (Theft by forcible and violent entry or exit) of the policy up to the limit stated in the schedule. .

18 Malicious damage extension

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained herein, this section is extended to cover loss or 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 loss or damage other than loss or damage to

- 18.1 movable property which is
 - 18.1.1 stolen
 - 18.1.2 damaged in an attempt to remove it or part of it from any premises owned or occupied by the insured
- 18.2 movable or immovable property which is damaged by thieves whilst breaking into or out of or attempting to break into or out of any premises owned or occupied by the insured
- 18.3 immovable property owned or occupied by the insured occasioned by or through or in consequence of
 - 18.3.1 the removal or partial removal or any attempt thereof of
 - 18.3.2 the demolition or partial demolition or any attempt thereof ofthe said immovable property or any part thereof with the intention of stealing any part thereof.

Provided this extension does not cover

- 18.1 loss or damage related to or caused by fire or explosion
- 18.2 consequential or indirect loss or damage of any kind or description whatsoever other than loss of rent if specifically insured
- 18.3 loss or damage resulting from total or partial cessation of work or the retarding or interruption or cessation of any process or operation
- 18.4 loss or damage occasioned by permanent or temporary dispossession resulting from confiscation commandeering or requisition by any lawfully constituted authority
- 18.5 loss or damage related to or caused by an occurrence referred to in general exception 9.1.1, 9.1.2, 9.1.3, 9.1.4, 9.1.5, 9.1.6 or 9.1.7 of this policy or the act of any lawfully established authority in controlling preventing or suppressing or in any other way dealing with such occurrence

If the company alleges that, by reason of proviso 18.1, 18.2, 18.3, 18.4, or 18.5, loss or damage is not covered by this section, the burden of proving the contrary shall rest on the insured.

If any building insured becomes unoccupied for 30 consecutive days the cover 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 consecutive days the insured shall become a co-insurer with the company and shall bear a proportion of any damage equal to 20% of the claim with a maximum of N\$5 000 000 before the deduction of any first amount payable.

19 Municipal plans scrutiny fee clause

The insurance under this section includes municipal plans scrutiny fees, provided that the total amount recoverable under any item shall not exceed the sum insured on the building affected.

20 Public authorities' requirements clause

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

- 20.1 the amount payable under this clause shall not include
 - 20.1.1 the cost incurred in complying with any of the aforesaid regulations
 - 20.1.1.1 in respect of damage occurring prior to the granting of this clause
 - 20.1.1.2 in respect of damage not insured by this section
 - 20.1.1.3 under which notice has been served upon the insured prior to the happening of the damage
 - 20.1.1.4 in respect of undamaged property or undamaged portions of property other than foundations (unless foundations are specifically

excluded from this insurance) of that portion damaged

- 20.1.2 the additional cost that would have been required to reinstate the property damaged to a condition equal to its condition when new had the necessity to comply with any of the aforesaid regulations not arisen
- 20.1.3 the amount of any rate, tax, duty, development or other charge or assessment arising from capital appreciation which may be payable in respect of the property or by the owner thereof by reason of compliance with any of the aforesaid regulations
- 20.2 the work of repairing or rebuilding must be commenced and carried out with reasonable dispatch and may be carried out wholly or partially on another site (if the aforesaid regulations so necessitate) subject to the liability of the company under this clause not being thereby increased
- 20.3 if the liability of the company under any item of this section apart from this clause shall be reduced by the application of any of the terms, exceptions and conditions of this section, then the liability of the company under this clause in respect of any such item shall be reduced in like proportion
- 20.4 the total amount payable under any item of this section shall not exceed the sum insured thereby.

21 Railway and other subrogation clause

The insured shall not be prejudiced by signing the "Transnet cartage (hazardous premises) indemnity" or other special agreements with the Transnet administration regarding private sidings or similar agreements with other government bodies.

22 Reinstatement value conditions

In the event of the property being damaged, the basis upon which the amount payable is to be calculated shall be the cost of replacing or reinstating on the same site property of the same kind or type but not superior to or more extensive than the insured property when new, provided that

- 22.1 the work of replacement or reinstatement (which may be carried out upon another site and in any manner suitable to the requirements of the insured subject to the liability of the company not being thereby increased) must be commenced and carried out with reasonable dispatch, otherwise no payment beyond the amount which would have been payable if these reinstatement value conditions had not been incorporated herein shall be made
- 22.2 until expenditure has been incurred by the insured in replacing or reinstating the property, the company shall not be liable for any payment in excess of the amount which would have been payable if these conditions had not been incorporated herein
- 22.3 if, at the time of replacement or reinstatement, the sum representing the cost which would have been incurred in the replacement or reinstatement if the whole of the insured property had been damaged exceeds the sum insured thereon at the commencement of any damage to such property by a defined event, then the insured shall be considered as being their own insurer for the excess and shall bear a rateable proportion of the loss accordingly. Each unit to which these conditions apply shall be separately subject to this provision
- 22.4 these conditions shall be without force or effect if
 - 22.4.1 the insured fails to intimate to the company within six months of the date of damage, or such further time as the company may in writing allow, their intention to replace or reinstate the property
 - 22.4.2 the insured are unable or unwilling to replace or reinstate the property on the same or another site

23 Removal of trees

The company will pay for the cost of removing trees (including parts of trees) that have fallen on and caused damage to the property insured up to the amount stated in the schedule.

24 Riot and strike extension (excluding loss or damage occurring in the Republic of South Africa and Namibia) (if stated in the schedule to be included)

Subject otherwise to the terms, conditions, exclusions, exceptions and warranties contained therein sub-sections A, B and C of this section are extended to cover loss or damage directly occasioned by or through or in consequence of:

- 24.1 civil commotion, labour disturbances, riot, strike or lockout;
- 24.2 the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in 24.1 above;

Provided that this extension does not cover:

- 24.1 loss or damage occurring in the Republic of South Africa and Namibia;
- 24.2 consequential or indirect loss or damage of any kind or description whatsoever, other than loss of rent if specifically insured;
- 24.3 loss or damage resulting from total or partial cessation of work, or the retarding or interruption or cessation of any process or operation;
- 24.4 loss or damage occasioned by permanent or temporary dispossession resulting from confiscation, commandeering or requisition by any lawfully constituted authority;
- 24.5 loss or damage related to or caused by any occurrence referred to in general exception 9.1.2, 9.1.3, 9.1.4, 9.1.5, 9.1.6 or 9.1.7 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 proviso 24.1, 24.2, 24.3, 24.4 or 24.5, loss or damage is not covered by this section, the burden of proving the contrary shall rest on the insured.

25 Security services

The company will indemnify the insured for the cost of hiring security guards and/or security services to protect the property insured as a result of such property being damaged by an insured peril up to the amount stated in the schedule.

26 Subsidence and landslip – limited cover

The company will indemnify the insured against loss or damage caused by subsidence and landslip other than loss or damage caused to or by:

- 26.1 drains, water courses, boundary walls, garden walls, screen and retaining walls, gate posts, gates; fences, driveways, paving, swimming pool borders or tennis courts;
- 26.2 or attributable to faulty design, insufficient compacting or filling, poor construction;
- 26.3 removal or weakening of support;
- 26.4 structural alterations, additions or repairs;
- 26.5 surface or subterranean excavations except those performed during mining operations;
- 26.6 normal settlement, shrinkage or expansion;
- 26.7 contraction or expansion of clay and similar soil types due to its moisture or water content;
- 26.8 existing damage at inception of this extension;
- 26.9 consequential loss of any kind whatsoever except loss of rent.

Should the company allege cover under this extension does not apply the insured shall have the burden of proving the contrary.

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

The following peril is added to the perils applicable to sub-section A:

Loss or damage caused by subsidence or landslip

Provided that the insured shall bear the first amount payable as stated in the schedule of each and every claim.

This extension does not cover

- 27.1 damage to drains, water courses, boundary walls, garden walls, retaining walls, gates, posts or fences unless specifically insured;
- 27.2 damage caused by or attributable to:
 - 27.2.1 faulty design or construction of, or the removal or weakening of support to, any building situated at the insured premises;
 - 27.2.2 workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured premises;
 - 27.2.3 excavation on or under land other than excavations in the course of mining operations;
- 27.3 consequential loss of any kind whatsoever except loss of rent.

Should the company allege that cover under this extension does not apply, the insured shall have the burden of proving the contrary.

28 Temporary removal clause

Except insofar as otherwise insured, landlord's fixtures and fittings are covered while temporarily removed to any other premises including transit by road, rail or inland waterway anywhere within the Republic of South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe and Malawi.

Provided that the amount payable under this clause shall not exceed that which would have been payable had the loss occurred on the premises from which the property is temporarily removed.

29 Tenants clause

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

30 Theft of landlord's exterior fixtures and fittings (if stated in the schedule to be included)

The following peril is added to the perils applicable to sub-section A:

"theft of exterior landlord's fixtures and fittings removed by forcible and violent means from the building, limited to the amount stated in the schedule. If any building or part of the building insured becomes unoccupied for 30 consecutive days cover will be suspended as regards such unoccupied building unless the insured before the occurrence if damage obtains the written agreement of the company to provide cover in terms of this peril. In the event that the company has been duly notified and the company has agreed to provide cover in terms of this peril, the insured shall during the period of the initial unoccupancy become a co-insurer with the company and shall bear a rateable proportion of any damage equal to 20% of the claim with a maximum of N\$5 000 000 before deduction of any first amount payable".

31 Unit owners clause

The insurance by this section shall not be invalidated by any act or omission by the owner of a unit whereby the risk of loss, destruction or damage or liability is increased provided that the insured shall notify the company as soon as such act or omission comes to their knowledge and pay any additional premium for the time such increased hazard shall have been assumed by the company.

Sub-section B - Loss of rent

Loss of rent as a result of the property insured or any part thereof being so damaged by any of the perils specified in sub-section A as to be rendered untenable but only for the period necessary for reinstatement and for an amount not exceeding the percentage as stated in the schedule of the sum insured on the portion(s) affected. The basis of calculation shall be:

- 1 the annual rental value of the unfurnished section(s) if it was permanently occupied by the owner;
- 2 the annual rent of the unfurnished section(s) if it was tenanted at the time of the damage.

Sub-section C – Geyser replacement

Defined event

This sub-section covers the replacement of geysers installed in the buildings insured under sub-section A due to any rupturing or leaking that may arise from impact, rust, decay, gradual deterioration, wear and tear or hidden defects in the geyser or its components.

Definition of a geyser

For the purposes of this sub-section a geyser shall mean:

any system or device (excluding boilers, pressure vessels, economisers or super heaters but including heat pumps, gas geysers solar geysers and integrated systems) used solely for the heating of water, including all its components and piping within two metres from the system or device.

Limit of liability

The maximum liability of the company under this sub section for any one geyser shall be limited to the amount for which the company's specialist geyser replacement facility is able to replace the geyser.

Specific conditions applicable to sub-section C

1 Replacement of electrical geyser with an environmentally friendly option

In the event of the company admitting liability and a new electrical geyser is to be installed, the insured may opt to replace the existing electrical geyser with a gas or solar geyser, a hybrid solar system, heat pump or induction heating geyser provided that the maximum amount that the company will pay is limited to

- 1.1 the amount that the company would have paid for a conventional electrical geyser plus
- 1.2 the amount that the insured would have received from Eskom as a rebate. This is conditional upon the insured ceding such rebate to the company's contracted geyser replacement specialists plus
- 1.3 any additional amount reflected in the schedule as environmentally friendly additional amount.

2 Reporting of damage

Loss or damage to electrical and solar geysers must be reported to the company's call centre on 0860 24 7 365 so that the claim can be administered through the company's specialist geyser replacement facility.

Non-compliance with this requirement will not result in the claim being rejected but the maximum amount payable for any costs incurred by the insured in respect of the replacement of any geyser shall not exceed the amount for which the company's specialist geyser replacement facility is able to replace such geyser.

Specific exceptions applicable to sub-section C

The company shall not be liable for:

1 Consequential loss

consequential loss of any kind whatsoever;

2 Failure of supply

loss or damage directly or indirectly caused by or contributed to or arising from the failure of and/or the deliberate withholding and/or lack of supplies of water, gas, electricity or fuel;

3 Faulty design

loss or damage directly or indirectly caused by or contributed to or arising from faulty or defective design;

4 First amount payable

the first amount payable, as stated in the schedule. Such first amount payable is payable directly to the contractor appointed by the company's call centre.

5 Manufacturer's guarantee

any loss or damage that is or should be covered by the manufacturer's guarantee or warranty. The company shall not provide cover in the circumstance where the terms of the manufacturer's guarantee or warranty has been breached by the insured;

Sub-section D – Electrical geyser Maintenance

Defined Event

Costs for emergency repairs or replacement of part(s) or components arising from the bursting, leaking, overflowing or non-functioning of the electrical geyser and any other related electrical geyser components as defined hereunder.

Definition of an electrical geyser

For the purposes of this sub-section an electrical geyser shall include:

- 1 control valves;
- 2 stop cocks, inlet pipes and fittings installed no more than 1.5 metres from the geyser unit for the purpose of controlling the water flow to the geyser unit only;
- 3 drain cocks
- 4 safety valves

- 5 vacuum breaker(s)
- 6 elements
- 7 thermostats
- 8 drip trays
- 9 feeder tank valves

Limit of liability

Unlimited emergency repairs for loss or damage following the events defined herein.

Specific conditions applicable to sub-section D

1 Manufacturer's warranty period

Where the electrical geyser falls within the manufacturer's warranty or guarantee period, the manufacturer will be contacted on behalf of the insured to handle such manufacturing warranty failure.

2 Reporting of defined event

Any defined event must be reported to the company's call centre on 0860 24 7 365 for cover to operate and in no instance will the company's call centre refund any service provider who carried out repairs without the prior approval of the company's call centre and such costs will be for the insured's account.

Specific Exceptions

The company shall not be liable for:

1 Call out cost

the call out cost to attend to

- 1.1 ripple relays;
- 1.2 faulty circuit breakers;
- 1.3 tripped isolator switch;
- 1.4 tripped earth leakage;
- 1.5 tripped geyser mains.

2 Compliance certificate

repairs to obtain compliance certificates;

3 Consequential loss

consequential loss of any kind whatsoever;

4 Failure of supply

loss or damage directly or indirectly caused by or contributed to or arising from the failure of and/or the deliberate withholding and/or lack of supplies of water, gas, electricity or fuel including but not limited to the non-payment of electricity, water and other local governmental, municipal, service agency, any other private or body corporate services account;

5 Faulty design

loss or damage directly or indirectly caused by or contributed to or arising from faulty or defective design;

6 First amount payable

the first amount payable, as stated in the schedule. Such first amount payable is payable directly to the contractor appointed by the company's call centre.

7 Follow-up or preventative maintenance

loss or damage directly or indirectly caused by or contributed to or arising from events requiring follow-up maintenance or preventative maintenance not affected as prescribed by the manufacturer of the electrical geyser covered under this section of the policy;

8 Integrated or split heat pump geyser systems

maintenance services on integrated or split heat pump geyser systems;

9 Isolator switches and non-return valves

electrical isolator switches and consequential replacement of non-return valves on unbalanced water systems. Unbalanced water systems results from the installation of water mixer apparatus at the insured property without the installation of accompanying water pressure release valves or non-return valves to prevent geyser bursts or leaks;

10 Leak detection

any water and/or any other leak detection services;

11 Manufacturer's warranty

11.1 any loss or damage that is covered by the manufacturer, installer or supplier's guarantee or warranty;

11.2 services and/or repairs to equipment and/or installations still under manufacturer warranty;

12 Pipes and fittings

any loss or damage to cold and hot water supply pipes and fittings;

13 Power surge

damage to geyser components caused by power surges or any other external caused including but not limited to events such as ripple relay switching, load shedding or equipment such as power generators, power generating or power back-up equipment, heat pumps and any maintenance resulting therefrom;

14 Repair or replacement work

loss or damage directly or indirectly caused by or contributed to or arising from any subsequent destruction or damage to the electrical geyser installation following repair or replacement work carried out by the insured on the insured property;

15 Routine installations

routine installations, electrical connections and installations and/or connections of any sort not related to the electrical geyser;

16 SANS 10254-2004

any loss or damage after the geyser inspection or services provided by a service provider appointed by the company's call centre finds that the geyser installation does not comply with the SANS 10254-2004 (as amended from time to time) and the insured was notified of such non-compliant installation by registered letter and the insured failed to ensure that the geyser installation is maintained and compliant with the SANS 10254-2004, no cover shall be afforded under this sub-section for subsequent damage to such installation.

17 Solar, gas or photovoltaic panels

emergency geyser maintenance services, including parts, on geyser systems operating on solar, gas or photovoltaic panels;

18 Solar geysers and heat pump systems

any loss or damage to solar geysers and heat pump systems however, in the event of the non-functioning of such systems, the following services will be provided:

Where the solar geyser or heat pump systems falls

18.1 outside of its manufacturer, supplier or installer's warranty period, an approved installer or plumbing and/or electrical service provider will be dispatched to provide a free assessment of the failure to the insured. No repair or maintenance service costs will be covered under this sub-section of the policy.

18.2 within its manufacturer, supplier or installer's warranty period the relevant guarantor, if available, and upon request from the insured, will be contacted on behalf of the insured to handle such warranty failure. In this instance the onus is on the insured to provide the company's call centre with the guarantor's information.

General clause applicable to sub-sections A and B

Mortgagee Clause

It is hereby specially agreed that:

- 1 This insurance as to the interest of the mortgagees in the buildings, improvements, landlord's fixtures and rent insured only shall not be invalidated by:
 - 1.1 any act or neglect of the body corporate or any of the owners of units as defined in the Sectional Titles Act No. 95 of 1986, or as amended or replaced; or
 - 1.2 any misrepresentation or non-disclosure by the body corporate or any of the owners of sections at the time when the insurance is effected or renewed or during the currency thereof; or
 - 1.3 the alienation of property; or
 - 1.4 the occupation thereof for purposes which poses a risk in excess of that permitted by the policyProvided that
 - 1.1 such act, neglect, misrepresentation, non-disclosure, alienation or occupation shall have been effected without the knowledge or privity of the mortgagees; and
 - 1.2 the mortgagee shall notify the company of the happening or existence of such act, neglect, misrepresentation, non-disclosure, alienation or occupation as soon as the same shall come to his or her knowledge; and
 - 1.3 the mortgagee shall on reasonable demand pay any additional premium for any increase in risk thereby created from the time such increased risk may be or shall have been assumed by the company during the continuance of this insurance; and
 - 1.4 any compensation payable in terms of this section shall be payable direct to the mortgagees of the particular unit in the order of preference of their bonds up to the value allocated to the particular unit in this policy or the aggregate of the amounts due by the unit owner to the mortgagees under their mortgage bonds whichever is the lesser.
- 2 As regards this clause the specific condition average, applies to the individual units (excluding the owner's interest in the land) and not to the property as a whole
- 3 No amount shall be payable in terms of this policy except in the event of actual physical damage to or destruction of the insured property, notwithstanding that the insured property may have been deemed to have been destroyed in terms of Section 48 of the Sectional Titles Act, No. 95 of 1986, as amended or replaced from time to time, and the provisions of that section shall not apply in regard to the application or interpretation of this policy.