



Business Interruption

Defined events

Loss following interruption of or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under:

- (i) the Fire section of this policy
- (ii) the Buildings combined section of this policy
- (iii) the Office contents section of this policy
- (iv) any other material damage insurance covering the interest of the insured

but only in respect of perils insured under the fire section hereof (hereinafter termed damage).

Liability shall be deemed to have been admitted if such payment is precluded solely because the insured is required to bear the first portion of the loss.

The company will indemnify the insured in accordance with the provisions of the specification hereinafter set out.

Provided that:

- (a) at the time of the occurrence of the damage there shall be in force an insurance covering the interest of the insured in the property at the premises against such damage
- (b) the liability of the company shall in no case exceed in respect of each item the sum insured as stated in the schedule.

Item 1: Gross profit (Difference basis)

The insurance under this item is limited to loss of gross profit due to:

- (a) reduction in turnover and
- (b) increase in cost of working

and the amount payable as indemnity hereunder shall be:

- (a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the damage fall short of the standard turnover
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided



less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross profit as may cease or be reduced in consequence of the damage

Provided that:

the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 (twelve) months.

Item 1: Gross profit (Additions basis)

The insurance under this item is limited to loss of gross profit due to:

- (a) reduction in turnover and
- (b) increase in cost of working

and the amount payable as indemnity hereunder shall be:

- (a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period shall in consequence of the damage fall short of the standard turnover
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the reduction in turnover which but for that expenditure would have taken place during the indemnity period in consequence of the damage, but not exceeding the sum produced by applying the rate of gross profit to the amount of the reduction thereby avoided

less any sum saved during the indemnity period in respect of such of the insured standing charges as may cease or be reduced in consequence of the damage

Provided that:

the amount payable shall be proportionately reduced if the sum insured in respect of gross profit is less than the sum produced by applying the rate of gross profit to the annual turnover where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual turnover where the maximum indemnity period exceeds 12 (twelve) months.

Memo

If any standing charges of the business are not insured under this section, then in computing the amount recoverable hereunder as increase in cost of working that proportion only of the additional expenditure shall be brought into account which the sum of the net profit and the insured standing charges bears to the sum of the net profit and all the standing charges.

Item 2: Gross rentals

The insurance under this item is limited to:

- (a) loss of gross rentals and
- (b) increase in cost of working



and the amount payable as indemnity hereunder shall be:

- (a) in respect of loss of gross rentals the amount by which the gross rentals during the indemnity period shall, in consequence of the damage, fall short of the standard gross rentals
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of rentals which but for that expenditure would have taken place during the indemnity period in consequence of the damage, but not exceeding the amount of the loss of gross rentals thereby avoided

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of gross rentals as may cease or be reduced in consequence of the damage

Provided that:

the amount payable shall be proportionately reduced if the sum insured in respect of gross rentals is less than the annual gross rentals where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual gross rentals where the maximum indemnity period exceeds 12 (twelve) months.

Item 3: Revenue

The insurance under this item is limited to:

- (a) loss of revenue and
- (b) increase in cost of working

and the amount payable as indemnity hereunder shall be:

- (a) in respect of loss of revenue the amount by which the revenue during the indemnity period shall, in consequence of the damage, fall short of the standard revenue
- (b) in respect of increase in cost of working the additional expenditure necessarily and reasonably incurred for the sole purpose of avoiding or diminishing the loss of revenue which but for that expenditure would have taken place during the indemnity period in consequence of the damage, but not exceeding the amount of the loss of revenue thereby avoided

less any sum saved during the indemnity period in respect of such of the charges and expenses of the business payable out of revenue as may cease or be reduced in consequence of the damage

Provided that:

the amount payable shall be proportionately reduced if the sum insured in respect of revenue is less than the annual revenue where the maximum indemnity period is 12 (twelve) months or less or the appropriate multiple of the annual revenue where the maximum indemnity period exceeds 12 (twelve) months.

Item 4: Additional increase in cost of working

The insurance under this item is limited to reasonable additional expenditure (not recoverable under other items) incurred with the consent of the company during the indemnity period in consequence of the damage for the purposes of maintaining the normal operation of the business.



Item 5: Wages (Number of weeks basis)

The insurance under this item is limited to the loss incurred by the insured by the payment of wages for a period beginning with the occurrence of the damage and ending not later thereafter than the specified number of weeks.

The amount payable as indemnity under this item will be the actual amount which the insured shall pay as wages for such period to employees whose services cannot, in consequence of the damage, be utilised by the insured at all and an equitable part of the wages paid for such period to employees whose services cannot, in consequence of the damage, be utilised by the insured to the full

Provided that:

if the sum insured by this item is less than the aggregate amount of the wages that would have been paid during the specified number of weeks immediately following the damage had the damage not occurred, the amount payable will be proportionately reduced.

Item 6: Fines and penalties for breach of contract

The insurance under this item is limited to fines or penalties for breach of contract and the amount payable as indemnity hereunder shall be such sum as the insured shall be legally liable to pay and shall pay in discharge of fines or penalties incurred solely in consequence of damage for non-completion or late completion of orders.

Definitions

Indemnity period

The period beginning with the commencement of the damage and ending not later than the number of months thereafter stated in the schedule during which the results of the business shall be affected in consequence of the damage.

Turnover

The money paid or payable to the insured for goods sold and delivered and for services rendered in the course of the business at the premises.

Revenue

The money paid or payable to the insured for goods sold and for services rendered in the course of the business at the premises.

Gross rentals

The money paid or payable to the insured by tenants in respect of rental of the premises and for services rendered.

Gross profit (Difference basis)

The amount by which:

1. the sum of the turnover and the amount of the closing stock
shall exceed



- the sum of the amount of the opening stock and the amount of the uninsured costs

Provided that:

the amount of the opening and closing stocks shall be arrived at in accordance with the insured's normal accountancy methods, due provision being made for depreciation.

Uninsured costs

These are defined in the schedule and the words and expressions used shall have the meaning usually attached to them in the books and accounts of the insured.

Gross profit (Additions basis)

The sum produced by adding to the net profit the amount of the insured standing charges, or if there is no net profit, the amount of the insured standing charges less such proportion of any net trading loss as the amount of the insured standing charges bears to all the standing charges of the business.

Net profit

The net trading profit (exclusive of all capital receipts and accretions and all outlay properly chargeable to capital) resulting from the business of the insured at the premises after due provision has been made for all standing and other charges including depreciation, but before the deduction of any taxation chargeable on profits.

Insured standing charges

These are defined in the schedule and the words and expressions used shall have the meaning usually attached to them in the books and accounts of the insured.

Standard turnover

Standard revenue

Standard gross rentals

The turnover (revenue) (gross rentals) during that period in the 12 (twelve) months immediately before the commencement of the damage which corresponds with the indemnity period

Annual turnover

Annual revenue

Annual gross rentals

The turnover (revenue) (gross rentals) during that period in the 12 (twelve) months immediately before the commencement of the damage

Rate of gross profit

to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.

Note: If the damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values

proportionate to the results obtained during the period between the commencement of the business and the date of damage.



The rate of gross profit earned on the turnover during the financial year immediately before the commencement of the damage

Memo

If during the indemnity period goods shall be sold or services shall be rendered elsewhere than at the premises for the benefit of the business either by the insured or by others on his behalf, the money paid or payable in respect of such sales or services shall be brought into account in arriving at the turnover, revenue or gross rentals, during the indemnity period.

Specific conditions

1. The insurance by this section shall cease if:
 - (a) the business is wound up or carried on by a liquidator, curator, trustee or judicial manager or is permanently discontinued
 - (b) the insured's interests cease to exist in any other way than by death.
2. On the happening of any damage in consequence of which a claim may be made under this section the insured shall in addition to complying with general conditions 7 and 9 of this policy with due diligence do and concur in doing and permit to be done all things which may be reasonable practicable to minimise or check any interruption of or interference with the business or to avoid or diminish the loss and in the event of a claim being made under this section shall, not later than 30 (thirty) days after the expiry of the indemnity period (or within such further time as the company may in writing allow) at their own expense deliver to the company in writing a statement setting forth particulars of their claim together with details of all other insurance covering the loss or any part of it or consequential loss of any kind resulting there from.
3. No claim under this section shall be payable after the expiry of:
 - (a) a period of 1 (one) year calculated from the end of the indemnity period,
or
 - (b) a period of 3 (three) months from the date on which payment shall have been made or liability admitted in respect of the insurance covering the interests of the insured in the property at the premises against damage from which the aforementioned claim arose

unless the claim is the subject of pending legal action or the subject of arbitration under the provisions of general condition 14 of this policy.

Clauses and extensions

A. Auditors

Any particulars or details contained in the insured's books of accounts or other business books or documents which may be required by the company under this section for the purpose of investigating or verifying any claim hereunder, may be produced and certified by the insured's auditors or professional accountants and their certificate shall be prima facie evidence of the particulars and details to which it relates.



B. Accumulated stocks

In adjusting any loss, account shall be taken and an equitable allowance made if any shortage in turnover due to damage is postponed by reason of the turnover being temporarily maintained from accumulated stocks.

C. Departments

If the business is conducted in departments/branches, the independent trading results of which are ascertainable, the provisions under items 1, 2 or 3 relating to reduction in turnover/gross rentals/revenue and increase in cost of working shall apply separately to each department/branch affected by the interruption except that if the sum insured by the relative item is less than the aggregate of the annual gross rentals/annual revenue/sums produced by applying the rate of gross profit for each department/branch, whether or not affected by the damage, to the relative annual turnover thereof (proportionately increased if the number of months referred to in the definition of the indemnity period exceeds 12 (twelve)), the amount payable shall be proportionately reduced.

D. Deposit premium

In consideration of the premium by items 1, 2 or 3 being provisional in that it is calculated on 75% (seventy five percent) of the sum insured, the premium is subject to adjustment on expiry of each term of insurance as follows:

in the event of the gross profit/gross rentals/revenue earned (proportionately increased if the number of months referred to in the definition of indemnity period exceeds 12 (twelve) during the financial year most nearly concurrent with any period of insurance being less or greater than 75% (seventy five percent) of the sum insured thereon, a pro rata return of additional premium not exceeding one third (1/3) of the provisional premium paid for such period of insurance will be made in respect of the difference.

In the event of a claim being made under this section, the amount paid or payable thereon shall be regarded as actually earned.

E. Output (Alternative basis)

At the option of the insured the term "output" may be substituted for the term "turnover" and for the purposes of this section "output" shall mean the sale or transfer value, as shown in the insured's books, of goods manufactured or processed by the insured at the premises

Provided that:

- (a) only the meaning of "output" or the meaning of "turnover" shall be operative in connection with any one event resulting in interruption
- (b) if the meaning of "output" be used:
 - (i) the accumulated stocks clause shall be inoperative
 - (ii) the memo at the end of the definitions shall read:

"If during the indemnity period goods shall be manufactured or processed other than at the premises for the benefit of the business either by the insured or by others on behalf of the insured, the sale or transfer value of such goods shall be brought into account in arriving at the output during the indemnity period".



F. Payments on accounts

In the event of a claim, the company will make periodical payments on account to the insured if desired.

G. Salvage sale

If the insured shall hold a salvage sale during the indemnity period, clause (a) of item 1 (gross profit) shall, for the purposes of such claim, read as follows:

"(a) in respect of reduction in turnover the sum produced by applying the rate of gross profit to the amount by which the turnover during the indemnity period (less the turnover for the period of the salvage sale) shall, in consequence of the damage, fall short of the standard turnover, from which sum shall be deducted the gross profit actually earned during the period of the salvage sale."

H. Prevention of access

Loss as insured by this section resulting from interruption of or interference with the business in consequence of damage (as referred to in this section) to property in the vicinity of the premises which shall prevent or hinder the use thereof or access thereto whether the premises or property of the insured therein shall be damaged or not, shall be deemed to be loss resulting from Damage (as referred to in this section) to property used by the insured at the premises.

The amount payable under this extension in respect of each item (other than Claims preparation costs) is limited to 90% (ninety percent) of the sum insured for the particular item and in total N\$300 000 000 (three hundred million Namibia Dollar).

For the purpose of this extension "insured premises" shall mean:

Customers and suppliers premises stated in the schedule as being insured by endorsement 1.

Storage and transit as insured by clauses and extensions (I).

Additional premises as insured by clauses and extensions (M).

I. Storage and transit

Loss as insured by this section resulting from interruption of or interference with the business in consequence of damage due to perils insured in terms of this section to property:

- (a) at premises where the insured have stored or temporarily deposited property (either for processing or storage purposes) or are fulfilling a contract
- (b) whilst in transit by air, road, railway or inland waterway
- (c) being motor vehicles of the insured elsewhere than at the insured's premises
- (d) at the premises of the insured's associated and subsidiary companies

shall be deemed to be loss resulting from damage to property used by the insured at the premises.



J. New business (Only applicable when gross profit is insured)

For the purpose of any claim arising from damage occurring before the completion of the first year's trading of the business at the premises the terms "rate of gross profit", "annual turnover" and "standard turnover" shall bear the following meanings and not as stated within:

Rate of gross profit

The rate of gross profit earned on the turnover during the period between the date of the commencement of the business and the date of the damage

Annual turnover

The proportional equivalent, for a period of 12 (twelve) months of the turnover realised during the period between the commencement of the business and the date of the damage

Standard turnover

The proportional equivalent, for a period equal to the indemnity period, of the turnover realised during the period between the commencement of the business and the date of the damage

to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.

Note: If the damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of damage.

K. New business (Only applicable when rent is insured)

For the purpose of any claim arising from damage occurring before the completion of the first year's trading of the business at the premises the terms "annual gross rentals" and "standard gross rentals" shall bear the following meanings and not as stated within:

Annual gross rental

The proportional equivalent, for a period of 12 (twelve) months, of the rental realised during the period between commencement of the business and the date of the damage

Standard gross rentals

to which such adjustment shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the



The proportional equivalent, for a period equal to the indemnity period, of the rental realised during the period between the commencement of the business and the date of the damage

damage would have been obtained during the relative period after the damage.

Note: If the damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of damage.

L. New business (Only applicable when revenue is insured)

For the purpose of any claim arising from damage occurring before the completion of the first years trading of the business at the premises the terms "annual revenue" and "standard revenue" shall bear the following meanings and not as stated within:

Annual revenue

The proportional equivalent, for a period of 12 (twelve) months, of the revenue realised during the period between the commencement of the business and the date of the damage

Standard revenue

The proportional equivalent, for a period equal to the indemnity period, of the revenue realised during the period between the commencement of the business and the date of the damage

to which such adjustments shall be made as may be necessary to provide for the trend of the business and for variations or other circumstances affecting the business either before or after the damage or which would have affected the business had the damage not occurred, so that the figures thus adjusted shall represent as nearly as may be reasonably practicable the results which but for the damage would have been obtained during the relative period after the damage.

Note: If the damage occurs before the completion of the first year's trading of the business at the premises, the value of bracketed terms shall be calculated by using values proportionate to the results obtained during the period between the commencement of the business and the date of damage.

M. Additional and new premises

Loss as insured by this section resulting from interruption of or interference with the business in consequence of damage (as herein defined) to property at any premises in respect of which the insured has entered into a contract to have constructed, to purchase, to lease or to rent shall be deemed to be loss resulting from damage to property used by the insured at the premises

Provided that:

notice thereof is given to the company as soon as reasonably practical and adjustment of premium be made if required.



N. Geographical limits

The geographical limits in terms of clauses H - Prevention of access, I - Storage and transit including endorsement 1 (not applicable to specified suppliers), 2, 3, 4 and 5 are confined to the Republic of South Africa, Namibia, Botswana, Lesotho, the Kingdoms of Eswatini, Zimbabwe and Malawi.

Additional and new premises described in terms of clause M of this section are confined to the Republic of South Africa and Namibia.

Endorsements (If stated in the schedule to be included)

1. Customers and suppliers

In consideration of the payment of an additional premium any loss arising from interruption or interference with the business as a result of contingencies hereby insured against, to premises or other property of customers or suppliers specified in the schedule subject to the stated limits shall be regarded as a loss resulting from damage to property used by the insured on the premises

Provided that:

- (a) the liability of the company in respect of unspecified customers and suppliers shall be limited to 10% (ten percent) of the gross profit/revenue/gross rental insured
- (b) suppliers, if unspecified, excludes the premises of any public supply undertaking from which the insured obtains electricity, gas or water
- (c) suppliers specifically excludes any timber plantation(s)
- (d) the reference to "perils insured under the Fire section of this policy" as stated under the heading defined events of this section pertaining to any planted (growing) crop and/or plantations (other than timber) will be limited to the perils of fire and lightning only.

The amount payable under this extension in respect of each item (other than Claims preparation costs) is limited to 90% (ninety percent) of the sum insured for the particular item and in total N\$150 000 000 (one hundred and fifty million Namibia Dollar).

2. Public utilities - Insured perils only

In consideration of the payment of an additional premium this section is extended to include loss resulting from interruption of or interference with the business in consequence of damage by any of the contingencies hereby insured against to property belonging to any public undertaking which supplies electricity, gas or water

Provided that:

the interruption shall continue uninterrupted for at least 24 (twenty four) hours.

The amount payable under this extension in respect of each item (other than Claims preparation costs) is limited to 90% (ninety percent) of the sum insured for the particular item and in total **N\$25 000 000** for any one event or series of events with one original cause or source.



3. Public telecommunications - Insured perils only

Loss as insured by this section resulting from interruption of or interference with the business in consequence of damage (as within defined):

- (i) to property at the premises of any public authority which is empowered by law to supply a telecommunications facility to the insured
- (ii) to the transmission facilities network of the public authority mentioned in (i) above shall be deemed to be loss resulting from damage to the property used by the insured at the premises.

The amount payable under this extension in respect of each item (other than Claims preparation costs) is limited to 90% (ninety percent) of the sum insured for the particular item and in total **R25 000 000** for any one event or series of events with one original cause or source.

4. Accidental damage

The following Defined event is added:

"Loss following interruption or interference with the business in consequence of damage occurring during the period of insurance at the premises in respect of which payment has been made or liability admitted under Defined event (i) of the Accidental damage section of this policy (hereinafter termed damage)

Provided that:

- (a) the provision under any item of this section that the payment will be reduced proportionately if the amount insured by the item is not adequate, is deleted in respect of this Defined event
- (b) the company shall not pay more than the sum insured stated in the schedule of the Accidental damage section for both this section and the Accidental damage section combined".

5. Guesthouses (Accommodation and lodging)

In consideration of the payment of an additional premium the under mentioned Defined events are added:

- (i) Section 15 -Theft of this policy
- (ii) Section 19 - Transit and section 28 - Single transit - General of this policy
- (iii) Murder, suicide and/or food poisoning occurring on the insured premises
- (iv) Use of or access to the insured premises being prevented or hindered following upon a bomb-scare in excess of the first 6 (six) hours of such bomb scare
- (v) Wild game attack, shark attack or shark scare

Provided always that:

the insurance hereunder shall be subject to the following Special conditions:



- (i) the liability of the company shall not exceed 90% (ninety percent) of the sum insured as stated in the schedule or N\$5 000 000 (five million Namibia Dollar), whichever is the lesser in respect of this extension
- (ii) the provision requiring material damage to occur, shall not apply to Defined events (iii) to (v) of this extension

Specific exception

This section does not cover any loss following a direct or indirect interruption of or interference with the business in consequence of damage occurring during the period of insurance at any premises in respect of which payment has been made or liability admitted under the Fire section of this policy or any other material damage insurance covering the interest of the insured as a result of any loss or damage to growing crops, plants, trees, crude fodder, hay, straw, chaff and any other similar crops, game, poultry, birds, aquaculture, livestock, pedigreed animals, bloodstock or any other animals.