

# Well... Hi there neighbour

Community  
insurance policy  
document



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

*KingPrice*<sup>™</sup>  
INSURANCE

FSP no. 43862

PERSONAL ♦ COMMERCIAL ♦ LIFE

# Here's what's inside

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

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# Our contact details

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

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

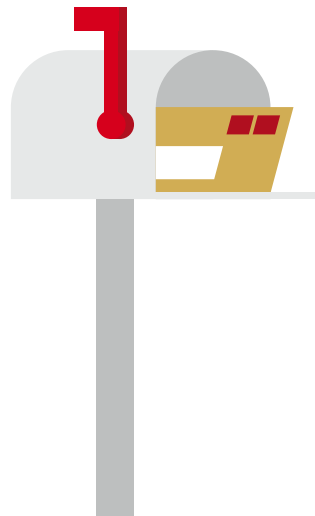
Policy admin line	0860 11 11 07
Email	<a href="mailto:communitygeneral@kingprice.co.za">communitygeneral@kingprice.co.za</a>
Online	<a href="http://kingprice.co.za">kingprice.co.za</a>
Submit a claim	<a href="mailto:communityclaims@kingprice.co.za">communityclaims@kingprice.co.za</a>

## 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 spoilt, 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

Sasria is the only short term insurer that provides special risk cover to all individuals and businesses that own assets in South Africa, as well as government entities. This is unique cover against extraordinary risks such as civil commotion, public disorder, strike, riot and terrorism, and SA is 1 of the few countries in the world that provides this insurance.

\* **Please note: To qualify for Sasria cover you, and anyone covered under your insurance policy, must comply with the T's and C's in this KPPD.**

## Your Sasria premium

As a business insurance client, you may choose whether or not you want this additional cover from Sasria. If you decide to include this cover in your royal policy, your monthly premium includes the Sasria premium, which we pay over to them on your behalf.

\* **Please note: Refer to the Sasria policy doc on [kingprice.co.za](http://kingprice.co.za) for further information.**

## Sasria contact details

Online	<a href="http://sasria.co.za">sasria.co.za</a>
PO Box	653367, Benmore, 2010
Address	36 Fricker Road, Illovo, Sandton, 2196
Phone no.	+27 11 214 0800/0861 72 77 42
Fax no.	+27 11 447 8630/0861 72 73 29
Reg no.	1979/000287/06
VAT no.	4140119340
FSP no.	39117
Email	<a href="mailto:contactus@sasria.co.za">contactus@sasria.co.za</a>

# Your very own King Price community 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 over 100 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 busy for a while.

This document has been especially designed for you and your community scheme. 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% correct.

Remember, incorrect details = incorrect cover.

If anything is unclear, or if 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  
09/20

# Your policy's ins and outs

## Why this document is so important

This document contains all the important information about your cover. We've made sure to leave out as much boring, complicated, confusing insurance lingo as we could, to allow you to get to grips with the basic facts as easily and quickly as possible.

While this document will help you to make a decision, its content is quite general, and it doesn't take your personal objectives or financial situation into consideration. We'll happily discuss these details with you in person, over a cup of coffee. (Our treat.)

## Here's what you need to read:

- What makes up your policy.
- Definitions of terms used.
- What's covered by the king.
- What's NOT covered by the king.
- Our claims procedure.
- Our excesses.
- Cancellation rights.
- Your policy schedule.
- 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. We hope this will give you complete peace of mind when it comes to the cover that you're paying for.

If 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 you decide to cancel this policy after the 30-day period, you'll be entitled to a pro rata refund, less a cancellation charge of the premium already paid. Which of course we'll 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:

- Bodies corporate.
- Homeowners' associations.
- Share block investors' schemes.
- Retirement schemes.
- Property owners.



### In a nutshell...

We've developed our cover into a neatly-packaged 1-stop insurance solution, complete with a range of unique benefits that we designed specifically to make your life easier and to ensure that you comply with all the legislation covering sectional title and community schemes living in South Africa.

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

} = *Your policy*



If anything (at all) isn't 100% correct, please contact your managing agent, broker or intermediary, or us, immediately, to have it updated.

Remember, incorrect details = incorrect cover.

### 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 liability that happens during this period, provided that you comply with all the terms and conditions of the policy.

We're not liable for more than the insured value that's stated on your policy schedule for each section, unless otherwise agreed.

## Who's insured

The body corporate, property owners, retirement schemes, homeowners' 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 they fall 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 tell us about them and they're stated on your policy schedule. All persons, organisations or institutions covered under this policy have to comply with the terms and conditions of the policy.

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

An extension providing cover to any person other than yourself won't give any rights to claim to this person, the intention being that you'll claim on behalf of this person if necessary.

## Tenants

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

- Tell us about 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 won't be prejudiced by:

- Any act or neglect by you or your 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.
- The property being 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 privity 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 less.
- 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 shouldn't 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 less. 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 (insured values) 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 if 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 them, your insured value 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.

This includes the full and correct details about:

- Any claim/s that you've 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 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.
- Is common knowledge.
- We already know or should know in the ordinary course of business.



### **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 insured values, 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 stated on your policy schedule, including Sasria, any applicable commissions and fees, and VAT.

## Paying your premium

Your policy won't 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 if the period of insurance is monthly, or on the first day of the first month of:

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

If 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're insured with us.
- If no premium is collected during this period, the policy will be cancelled from the due date.
- If any incident happens during the 15-day grace period and you want to claim for it, we'll only consider the claim if we receive your premium payment in full and within 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've 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

Your premium usually changes when your policy is renewed every year, even if your risk hasn't changed. This is because of factors that are sadly beyond our control, and that we have no choice but to take into consideration, including:

- Inflation.
- Rising repair and building material costs.
- The total cost of claims that we've paid.
- The cost of claims that we expect to pay in the future.
- The ongoing expenses that we incur while 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, or your broker or intermediary, 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 that we agree on. We'll send you an updated policy schedule, and you must please check that the changes were made as you 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.

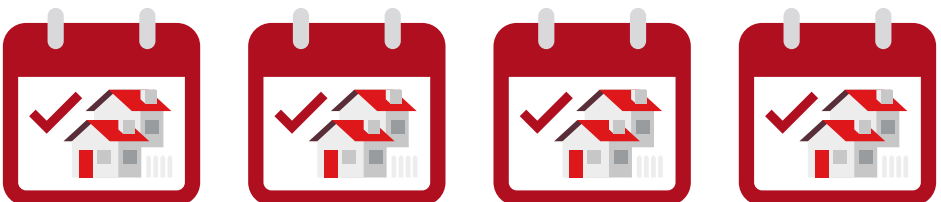
## If you want to leave us

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, for example by installing and maintaining pool fencing and gates.
- Taking all reasonable care to prevent theft, loss, damage and 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 claims. 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 faster 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 that you don't want to claim for 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, including the police report and case number.
- No claim, other than claims under 'Business interruption', 'Fidelity' and 'Group personal accident', will be payable once 24 months have elapsed after an incident unless the claim is the subject of pending legal action or is in respect of your legal liability to a third party.
- If you dispute the outcome of a claim you have 90 days, in terms of the Policyholder Protection Rules, from the day you're 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 isn't 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'll 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 that we ask for, within the timeframe set by us.
- True and complete information, 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 an incident that you've already claimed for. You must immediately give us any invoices, demand letters, summonses and notices that you receive from other parties involved in the incident.
- Any other relevant or new information regarding an insured incident that you've claimed for, even if this information only comes to light after you've submitted the claim or it's already been finalised.

## Wait for us to help you

Never permit any replacement or repair that hasn't been authorised by us, except for emergency or temporary repairs to prevent further loss or damage, which are permitted under this policy. We'll reimburse you for the reasonable costs and expenses that you incur to make such emergency or temporary repairs after loss or damage that gives rise to a valid claim.

**\* Please note: You must get our written approval before disposing of any damaged property, or repairing or replacing any insured items. Failure to do so may lead to your claim being rejected.**

You're not covered for:

- Repairs that you didn't have to do.
- Unreasonably excessive repair costs if you had a cheaper alternative at the time. In this case, we'll only pay the amount that you should've 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 must:

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

## Get it done

Repairs and replacements must be completed within 6 months of your claim being settled.

## Pay your excess

- Pay all the basic 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 or item.
  - Any additional excess amount that may be applicable for certain insured incidents or circumstances, as 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. We know that you're a nice person and that you want to do the right thing, but 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 was 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 maintaining affordable premiums.

For example, we may need to disclose information:

- To our reinsurers, credit agencies and advisers, your managing agent, broker/intermediary and those involved in the claims handling process (including assessors and investigators).
- To people listed as co-insured on your policy and to any other party authorised by you.
- For the purpose of providing relevant services and products.
- For the purpose of litigation.

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 to always 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 we'd really like you to tell us.

To make sure that your complaint receives the attention that it deserves, please submit it to us in writing, by 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 guide to how we deal with complaints:

- Your complaint is lodged in a central complaints register on the same day that it's made, and we send you a confirmation of receipt.
- Your complaint is immediately brought to the attention of the relevant squire at King Price, who then allocates it to a trained and skilled consultant who specialises in that type of complaint.
- Your complaint is investigated, and we give you feedback on our findings within 5 working days.
- If you're dissatisfied with our solution, you may refer your 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.

### **King Price internal ombudsman**

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

### **Ombudsman for Financial Services Providers**

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

### **FAIS Ombudsman**

PO Box 74571  
Lynwood Ridge 0040



# General exclusions... Things NOT covered by the king

\* **Please note: If your claim is rejected because we say that 1 or more of these exclusions applies, the onus is on you to prove the contrary.**

These general exclusions apply to all the aspects of your insurance policy contract.

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.

As well as loss, damage, injury or liability that's directly or indirectly caused or contributed to by any of the following...

## **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.

## **Computer losses**

The incapacity or failure of any computer (including data processing equipment, microchip, integrated circuit or similar device 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.
- Any virus, corruption, malware, Trojan horse, time or logic bomb, worm or any other destructive or disruptive code, media or program.

## **Confiscated, forfeited or detained property**

Property that has been legally detained or confiscated.

## **Consequential loss**

Consequential loss or damage, except if it's specifically stated on your policy schedule that damage or loss of this nature will be covered.

## **Contamination or pollution**

This policy doesn't cover any legal liabilities, loss or damage indirectly or directly caused by pollution, contamination or seepage.

## **Contractual liability**

Any loss arising from any breach of contract or agreement.

## **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, workmanship, construction, material or the lack of maintenance and the cost of maintenance of the insured property.

## **Electronic smoking devices, eCigarettes and eLiquids**

You're not covered for liability, including loss, costs and expenses, that arise directly or indirectly out of, result from or as a consequence of, or are related to, electronic smoking devices, eCigarettes and eLiquids, whether or not there's a related cause of loss that may have contributed concurrently or in any sequence to a loss, cost or expense.

An electronic smoking device is a battery-powered device that delivers a vaporised inhalable substance through a mouthpiece including, but not limited to, battery-powered cigarettes, pipes, cigars, hookahs and vaporisers, but excluding steam inhalers, mist inhalers and vaporisers used for medical purpose. This exclusion includes the design, manufacture, distribution, sale, maintenance, use and repair of such device, and the inhalation of vapour delivered from such device.

An eLiquid or eJuice means the nicotine solution, flavouring or any other substance used in an electronic smoking device, including the design, manufacture, distribution, sale, maintenance or use or such liquid or juice.

## **Excluded perils**

This policy doesn't cover you for any loss or damage:

- As a result of any cause that wasn't sudden and unforeseen.
- As a result of consumable parts or parts with a limited lifespan.
- Recoverable under any maintenance or lease agreement.

- Occurring while any item is undergoing tests of any kind, is deliberately overloaded, or is being used in a manner, or for any purpose other than what it's designed for.
- Directly or indirectly caused by:
  - Inherent vice or defect, gradual deterioration or depreciation, including rising damp and wear and tear, rust and mildew, or fading and perishing.
  - A rise in the underground water table or pressure caused by it.
  - Defective lubrication or lack of oil or coolant.
  - Electronic breakdown or mechanical or electrical defect or failure.
  - Servicing, maintenance, cleaning, repairing, dyeing, restoring, bleaching or alteration.

## **Illegal activities**

Any loss or damage caused by the use of the insured property for, or in connection with, any illegal activity and/or the committing of any crime, including any incident which relates to obtaining, using or soliciting narcotics (or drugs).

## **Infectious epidemic**

Any infectious epidemic or pandemic.

## **Insects and pests**

Damage caused by insects or pests such as moths and rats.

## **Intentional damage**

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

## **Nationalisation**

Nationalisation, confiscation, commandeering or requisition by any lawfully-constituted authority.

## **Nuclear risk**

You're not covered in respect of loss or damage that's caused directly or indirectly by:

- Nuclear reaction.
- Ionising radiation from, or contamination by, radioactivity from any nuclear fuel or nuclear waste, or from burning nuclear fuel.
- The radioactive, toxic, explosive or other dangerous properties of any nuclear installation, reactor or other nuclear equipment, or any nuclear part of them.
- Any weapon or device using atomic or nuclear fission, fusion or similar reaction, or radioactive force or material.
- The radioactive, toxic, explosive or other dangerous properties of any radioactive material.

## **Riot, war, political act, terrorism or any such attempted act**

- Civil commotion, any labour action or strike, public disorder or any act calculated to bring about any of these.
- War, act of a foreign enemy, or warlike operation (whether war be declared or not) or civil war.
- Military uprising or usurped power, martial law, rebellion or revolution that determines the proclamation or maintenance of martial law.
- Any act (whether on behalf of any organisation, body, person or group of persons) calculated to overthrow or influence any state, government, or provincial, local or tribal authority with force, fear, terrorism, violence or protest against them.
- Any act that's calculated to bring about loss or damage in order to further any political aim, to bring about any social, economic, religious, personal, ethnic or ideological change.
- Any act of terrorism including the use, or threat of use, of force or violence by any person or group of persons (whether acting alone or on behalf of another, or harmful to human life or not), with the intention to influence any government or to inspire fear in the public.
- The act of any lawful authority in any other way dealing with any occurrence referred to in any of the clauses above.

## **Sanction limitation**

You're not covered, and we won't make any payment or provide any benefit, that would expose us to any sanction, prohibition or restriction under any United Nations resolutions, or the trade or economic sanctions, laws or regulations of the European Union, United Kingdom or United States of America.

## **Selling your possessions**

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



# Our T's & C's

\* Please note: These terms and conditions apply to every section of this policy.

## 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 legalese for 'accepted as correct until proven otherwise') of the particulars and details that the certificate relates to.

## Alarm systems

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

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

## Arbitration

If any difference arises as to the amount to be paid under this policy (liability being otherwise admitted) this difference will be referred to an arbitrator 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.

## 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.




## 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.

## Fire protection

All firefighting equipment and fire protection at your buildings must be 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 by-laws.

 **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.**

## 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.

## Inspections

We, and our service providers, have the right to value, inspect and examine, any insured property, by appointment. 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.

## 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.

## Jurisdiction

This policy is subject to the laws of South Africa and to the jurisdiction of its courts.

## **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.

## **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.

## **Subrogation rights**

We have the right to take over and conduct in your name, the defence 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.

## **Security firms**

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

We won't raise as a defence to any valid claim submitted under any section 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.

## **Taxes/VAT**

All premiums, insured values and excess amounts are inclusive of all taxes/VAT.

## **Tell the truth**

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

# What do we mean

Wherever these terms appear in this policy document, this is what they mean.

## 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.

## Act

Parties are subject to the following Acts as amended, wherever relevant:

- Sectional Title Schemes Management Act No. 8 of 2011.
- Community Schemes Ombud Service Act No. 9 of 2011.
- The Companies Act No. 71 of 2008.
- The Share Blocks Control Act No. 59 of 1980.
- The Housing Development Schemes for Retired Persons Act No. 65 of 1988.

## Blanks

If, on your policy schedule, the insured value 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 policy schedule isn't insured under this 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.

## Broker or intermediary

The insurance brokerage that acts as intermediary between you and us, and which has the right to administer your policy.

## **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 homeowners' 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 Share Blocks Control Act, as may be applied to this insurance, and as amended.
- The management committee of a life-rights development as determined in accordance with the Housing Development Schemes for Retired Persons Act, as may be applied to this insurance, and as amended.

## **Building**

A structure of a permanent nature that's shown on a sectional plan as part of a community scheme.

## **Business activity**

A business, trade, profession, occupation or income-earning activity, but not including the residential tenancy of any part of your buildings.

## **Claim costs**

You're covered for the assessments that need to be done for any claims under your policy. However, if you wish to employ a person to assist you with preparing your claim, indemnification for the costs that you incur is subject to our approval.

## **Committee member**

An elected member of the management committee.

## **Common property**

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

## **Common areas**

The areas on the insured property that aren't part of any unit. For example, the gardens, driveways, footpaths, walkways, pool area and tennis courts.

## **Common area contents**

These include the following, as long as they're located in any common area on the insured property and the body corporate either owns them or is responsible for them:

- Office contents, including any electronic equipment, domestic appliances, equipment, furniture and fittings.
- Gym equipment.
- Swimming pool or spa covers and accessories.
- Swimming pools or spas that aren't in the ground.

## **Community scheme**

A piece of land with a building/s where individuals own portions of the building/s and co-own the common property. A community scheme:

- Can be a vertical block of apartments or a level row of townhouses, which may be attached or detached.
- Has at least 2 sections and can be used for residential or commercial purposes, or a mixture of both.

## **Cover section**

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

## **Date of loss**

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

## **Directors/prescribed officers**

Elected person/s appointed by any homeowners' association.

## **Directors/members**

Elected person/s appointed by share block investors.

## **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**

The first amount payable for every valid claim, for which you're responsible. The amount and type of excess that applies to each claim is stated on your policy schedule. We'll deduct the excess from the insured value 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 additional excess amounts. Please refer to your policy schedule for more information.

## **Gradual**

A process that develops slowly or by degrees.

## **Homeowners' association**

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

## **Incident**

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

## **Insured incident**

Any incident that would cause us to pay a claim. For example, under 'Buildings and common area contents', an insured incident may be a hail storm as we'd be required to compensate you for any resulting damage.

## **Legal costs**

Legal fees, charges and expenses (except for your fees or salaries, or your employees' salaries) that we've accepted and approved in writing for investigation, defence, 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 stated on your policy schedule, they have rights under your policy.

## **Office bearer**

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

An office bearer can be:

- A trustee appointed by the body corporate.
- A director and/or prescribed officer appointed by any homeowners' association.
- A director and/or member appointed by share block investors.
- A committee member appointed to the management committee of a retirement village scheme.

An office bearer can't be a managing agent or any contractor maintaining or managing your building.

## **Owner**

The registered owner of a unit including the spouse, children and other people who normally live there.

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

The participation quota of a section, or of the owner of a section, is at the 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.

## **Section**

A section of property as shown on the sectional plan, which bears 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**

The buildings are built from brick, stone, concrete or metal, on a metal framework, and roofed with slate, tiles, metal, concrete or asbestos.

## **Sudden**

Abrupt, occurring quickly, or taking place all at once.

## **Trustee**

An elected trustee 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.

## **We, us and our**

King Price Insurance Company Ltd, as the insurer.

## **You, your, yourself or the insured**

The body corporate, homeowners' association, share block investors' scheme or retirement scheme stated on your policy schedule, and its ownership or insurance interest according to the laws that apply 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.

## Buildings and common area contents

### Buildings

When you insure your buildings, we'll cover them against accidental loss, damage and theft, as long as this loss, damage and theft isn't 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 and theft isn't 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!**

### Business all risk

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 that isn't otherwise excluded. Your cover is limited to the insured value that's stated on your policy schedule.

### Locks and keys

You're covered up to the insured value that's stated on your policy 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're covered for the loss of, or damage to, money while it's in or at your insured building, or in transit to or from your premises for the purpose of deposit or withdrawal, during the period of insurance and up to the insured value/s 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!**

## Commercial glass

You can choose to top up your 'Buildings' cover to include accidental damage to glass and signwriting at any commercial premises that forms part of the insured building.

## Machinery breakdown

This section provides cover for plant and machinery. We'll cover the cost of repairs, or 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.**

## Electronic equipment

Under this section you're covered for the loss of, or damage to, electronic equipment and computers, as stated 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.



## Public liability

This section covers the compensation or expenses that you may become legally liable to pay, up to the insured value that's stated on your policy schedule, due to a claim being 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.**

## Office bearers' liability

Here you're covered for your office bearers if a claim arises out of any actual or alleged wrongful act made in the course of their duties, functions and obligations in the management of a community scheme, up to the insured value that's 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.**

## Fidelity

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 insured value that's stated on your policy schedule.

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

## Employer's liability

Under this section, you'll be covered for any claims for compensation or expenses that you're legally liable for in the event of the death, personal injury or illness of any person employed under a contract of service with you, which happens 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.**

## Group personal accident

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

## Motor cover

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

## Claim preparation costs

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 and common area contents



## In a nutshell...

This covers your building/s at the premises specified on your policy schedule, all sections including common property and the loss of money. The king's got your back!

## Choice of cover

### Your choice, our pleasure

Under this section you can cover the following property belonging to you, or for which you're responsible:

**1.1 Buildings.**

**1.2 Common area contents.**

**1.3 Business all risk.**

**1.4 Money.**

### 1.1 Buildings

#### By 'buildings' we mean

Your buildings at the premises stated on your policy schedule, including all sections and common property, as well as:

- 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 items that are 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 insured value that's stated on your policy schedule.
- Permanently-installed sporting and recreational structures, including tennis courts, floodlights, swimming pools and spas.
- Jetties, quays and marinas.
- Satellite dishes, radio and TV aerials, and their associated wiring, masts and towers.
- Blinds and awnings on the outside of the buildings.

- Fixed wall and floor coverings, including any other item or structure installed by the owner for their exclusive use and that's 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, but only if these appliances are permanently connected or plumbed to the property's electricity or gas supply.
- Elevators and escalators and their associated equipment.
- Transformers, motors, boilers, air conditioning units and standby generators.
- Glass other than the glass that's more specifically covered elsewhere 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. Buildings constructed from any other material, for example thatched-roofed or timber-framed buildings, are considered non-standard and must be specifically described on your policy schedule.**

## What's covered by the king

### Accidental loss and damage

You're covered for sudden, unexpected and unforeseen loss or damage that occurs while you have an active policy with us, at the insured premises, up to the insured value that's stated on your policy schedule.

Your cover is subject to the terms, conditions, exclusions and limitations that 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 renovations that aren't approved by the trustees.
- Property that's in the course of being constructed, erected, altered, added to or renovated, but not including cosmetic changes like 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 your cover being questioned because you didn't do what was needed on your part.

## **Keep us in the loop**

Tell us immediately after you become aware that:

- The building is vacant or abandoned for more than 60 consecutive days.
  - 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, you'd be paying the wrong premium because thatch has a higher risk of fire damage, and so your building wouldn'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, and all residents at the insured property 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 insured value that's stated on your policy schedule is the maximum amount that we'll pay for the loss of, or damage to, your buildings, 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 that's 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. 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 the loss of, or damage to, your buildings, we'll pay the cost of rebuilding or repairing the damaged portions to the same condition that they were in before the incident. However, we won't reinstate them exactly or completely, only as circumstances permit and in a reasonably sufficient manner. We also won't ever pay more than the applicable insured value for any insured items.

### Reinstatement, replacement or repair

If we pay you to rebuild, then you can choose to do so on the same or 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 is damaged, then our liability won't go higher than the cost of the repair.



If the architectural features or structural materials of the insured buildings have 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 means, for example, that if floor coverings are damaged, we'll only pay to repair or reinstate the affected area, 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. In this case, 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 that we may agree with you). If this doesn't happen, we're not liable for any payment beyond the amount that 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 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, compromised buildings in a community scheme are deemed to be destroyed:


- Upon the physical destruction of the building.
- When the owners, by unanimous resolution, choose to do so and all holders of registered sectional mortgage bonds, as well as those with registered real rights concerned, agree to it in writing.
- When a court of law decides 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 community scheme to:

- Rebuild and/or reinstate the entire building or part thereof.
- Transfer the interests of owners of sections that 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 the damage to, or destruction of, the building.
- The payment of money by or to the body corporate, or by or to 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.

 **Please note:**

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

## Escalation

During each period of your cover, your building's insured value 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 to ensure that the insured values for the upcoming period of cover and the percentage increase required for this period are correct.

If damage occurs, then the insured value at the time of the loss will be increased by the percentage that's stated 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 buildings, the following additional benefits will be paid too, provided that the amount paid out doesn't exceed the insured value of the affected property, as stated on your policy schedule.

### Subsidence and landslip

You're covered 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 a building's 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 stated on your policy schedule.
- Workmen engaged in making any structural alterations, additions or repairs to any building situated at the insured property.
- 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 before 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 that's constructed or situated on dolomite and limestone land/sites.

 **Please note: If your claim is rejected because we say that 1 or more of these exclusions applies, the onus is on you to prove the contrary.**

## Architects' and other professional fees

You're covered for the professional fees required for the reinstatement or replacement of the building, limited to 25% of the insured value that's stated on your policy schedule.

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

## Demolition and clearing costs

You're covered for the cost and expenses that you reasonably incur for demolition, removal of debris, providing, erecting and maintaining hoardings required during demolition, site clearing, and building operations, following damage to the insured property caused by a insured incident, provided that the total amount recoverable under any item doesn't exceed the insured value of the affected building.

We don't cover the costs and expenses that you may incur in removing debris, except if it's from the site of a damaged or destroyed insured building 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 plan scrutiny fees

When it comes to the fees incurred and owed to the municipality, we'll cover these costs, provided that the total amount recoverable under any item doesn't exceed the insured value of the affected building.

## Public authorities' requirements

You're covered for the cost required for your buildings to comply with any statute, regulation or any municipal or other statutory authority, provided that it doesn't exceed the insured value.

You're not covered for any cost:

- If the building didn't comply, or if a notice had been served on you, before the incident.
- For any damage not insured under this section.
- For undamaged property or portions of the property.
- If the building can't be built or repaired where it stood before the incident.
- For 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 additional costs in order to:

- Use materials with better water resilience.
- Relocate fixtures and fittings covered under this policy to an area in the same building that has less risk.
- Keep floodwater from adjacent ground, to prevent future damage.

**\* Please note: Our liability is limited to 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, 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 the time that's necessary to complete repairs or reconstruction.

**\* Please note: Our liability is limited to 30% of the insured value of the affected unit or section.**

If you as the owner are occupying a unit or section and it's damaged to the point that it's no longer habitable, then we'll pay the reasonable rent for an equivalent, unfurnished alternative accommodation. We'll also pay the reasonable cost of:

- Temporary accommodation for your pets if the alternative accommodation doesn't allow pets.
- Removing, storing and returning any undamaged home contents, limited to R10,000.

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

## Murder and suicide

You're covered for a specialised service to assist with the clean-up process and removal of human remains after a murder or suicide.

**\* Please note: Our liability is limited to R7,500 annually, per unit.**

## Prevention of access

If property within a 10km radius of the insured property stated on your policy schedule is lost or damaged by an insured incident and this prevents or hinders the use of, or access to, your property, we'll pay for any loss of rent you may incur as a result, limited to 30% of the insured value 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

You're covered for the cost of removing illegal occupants from any insured unit that's stated on your policy schedule, limited to R5,000 for any 1 event, or R10,000 during any 12-month period of cover.

For the purpose 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

You're covered for the reasonable cost for extinguishing a fire after an incident, provided that you're legally liable for such cost and that the insured property was in danger from the fire.

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

## Gardens, garden furniture and water features

You're covered for the costs incurred by you for restoring damaged landscaped gardens, garden furniture and water features if the damage is caused by flood, fire, firefighting operation, explosion, or impact by a vehicle, aircraft or other aerial device or articles dropped from them.

 **Please note: Our liability is limited to the insured value that's stated on your policy schedule.**

## Home modifications

If we approve a claim for the 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 pay the reasonable and necessary costs to modify the unit in order to help meet mobility requirements.

**\* Please note: Our liability is limited to the insured value that's stated on your policy schedule. This benefit only applies if a medical practitioner certifies that the disability is permanent and solely and directly due to the incident.**

## Floor coverings

If floor coverings are damaged, we'll pay to repair or reinstate the affected floor coverings in the room where the damage happened.

## Leakage of fire extinguishing installations

You're covered for damage caused by discharge or leakage from fire extinguishing installations, limited to 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 if you're responsible to pay for this water, provided that:

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

**\* Please note: Our liability is limited to the insured value that's stated on your policy schedule.**

You're not covered for:


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

## Power surges

You're covered for loss or damage caused by an electrical power surge, limited to the insured value that's stated on your policy schedule, for any 1 event.

## Removal of trees

You're covered for the cost incurred for the professional removal and disposal of fallen trees if they damage the insured property.

 **Please note: Our liability is limited to the insured value that's stated on your policy schedule. We won't pay for the removal or disposal of tree stumps or roots.**

## Locks and keys

You're covered for the cost incurred for replacing locks, keys, tags and remote access devices after a burglary or attempted burglary, limited to the insured value that's stated on your policy schedule, for any 1 event.

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

We won't pay to rekey, recode or replace 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 a family member or friend of theirs.

## Security services

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

 **Please note: Our liability is limited to the insured value that's stated on your policy schedule, for any 1 event.**



## Water removal and dehumidifying

You're covered for the reasonable cost incurred, without our consent, to remove water from and dehumidify an insured building following damage caused by water.

\* **Please note: Our liability is limited to the insured value that's stated on your policy schedule.**

## Fixtures and fittings

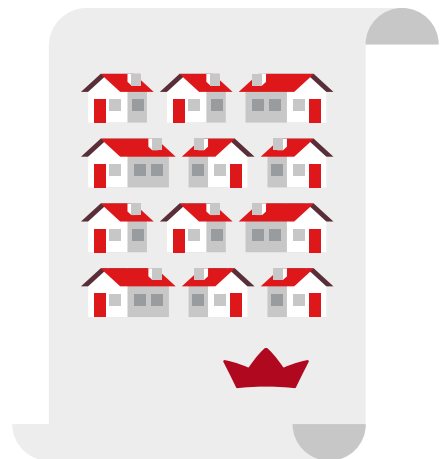
You're covered for the cost incurred to replace stolen fixtures and fittings, limited to the insured value that's stated on your policy schedule, per incident.

## 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 the loss of, or damage to, those alterations or additions. Each quarter, you must let us know about such alterations, additions and improvements, and you'll pay any additional premium for this increase in your building's value.

You're not covered if:

- The total contracted value of all work for the alterations or additions is more than 25% of the building's insured value.
- You've entered into a contract with a third party in relation to the alterations or additions that requires the third party to have contract works or similar insurance to cover material damage and liability.



## Removal of the landlord's fixtures and fittings

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

However, this cover's only valid if the amount payable under this clause doesn't exceed what would've been payable had the loss occurred on the premises that the property was temporarily removed from. 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 basic 'Buildings' cover. If so, they'll only be covered if they're separately noted on your policy schedule and an additional premium is paid.**

### Catastrophe escalation

Following a catastrophe being declared, you're covered for an additional amount for:

- Escalation in the value of a valid claim for loss or damage to your insured buildings.
- Alternative accommodation, if repairs are delayed.

Provided that our liability is limited to:

- 10% of the insured value/s for buildings and alternative accommodation as stated on your policy schedule.

The insured value of the affected building or section thereof as stated on your policy schedule, plus the additional amount.

## Commercial glass

While broken glass may not seem like an expensive commodity to replace, speciality glass can be costly. If the glass on your community scheme's premises breaks, we can't promise you won't have 7 years of bad luck (sorry) but we'll turn your frown upside down by making sure it's replaced ASAP.

### By 'commercial glass' we mean

Window glass (including mirrors) which is plain plate or float glass and doesn't exceed 6mm in thickness, whether coated with a film or not, or 6.6mm laminated safety glass. If the glass you intend to cover under this section isn't described here, you need to let us know.



**Please note: If an incident occurs that you can claim for and you're legally obliged (in terms of the National Buildings Regulations or similar legislation) to replace the damaged glass with glass of a superior quality, then we'll cover the increased cost of the replacement and frames, provided that the replacement cost isn't higher than the insured value at the time of the loss or damage. In this case, you'll be considered your own insurer for the difference and will bear a rateable share of the amount of the loss or damage.**

You're covered for:

- The replacement of internal and external glass which forms part of a building for commercial use at the premises, as stated on your policy schedule.
- Accidental loss or damage to your internal and external glass (including reflective glass mirrors) signwriting and treatment thereon, at the insured premises noted on your policy schedule, or for which you're responsible.

You're also covered for loss or damage under 'commercial glass' (up to R20,000) which is caused by, or as a result of:

- Boarding up (if reasonable and necessary).
- Shop fronts, frames, burglar alarm stripes, wires and vibrators being damaged.
- Removing and reinstating fixtures and fittings to replace the damaged glass.
- Employing security services or additional watchmen before replacing glass, boarding up, or replacing the burglar alarm system (unless this is covered by any other insurance).

We won't pay for:

- Any incident which occurred before your policy start date.
- Loss or damage otherwise insured.
- Glass that forms part of 'stock in trade'.
- Defacement or damage, other than a fracture through the entire thickness of the glass or laminate thereof.

## **Damage arising from deteriorated pipes**

### **By 'concealed water pipes' we mean**

Pipes which can only be accessed by removing permanent structures.

You're covered for sudden and unforeseen loss or damage that's directly caused by the sudden bursting or leaking of a concealed water pipe that's weakened gradually over time.

You're not covered:

- For any costs associated with the discovery or repair of the fault.
- If you don't report the incident to us immediately after discovering it.



**Please note:**

- **Our liability is limited to the insured value that's stated on your policy schedule.**
- **You're liable for the excess amount that's stated on your policy schedule.**

## Energy performance and sustainable buildings

You're covered for an additional amount, limited to 10% of your building's insured value, for any additional costs arising from using alternative materials or sources of materials, in accordance with the National Building Regulations for Environmental Sustainability Standards.

We'll also pay to repair or replace technology, products or materials with more environmentally-friendly alternatives to improve energy- and water-efficiency. We'll pay the amount we would've 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:

- Any amount that's higher than the insured value of the affected building, as stated on your policy schedule, plus the additional amount.
- Any undamaged portion of the insured building.
- The additional cost incurred to meet any condition required by the government or local authority, which they'd already let you know about, or with which you'd been required to comply, before the incident occurred.
- Any damage that's excluded by this section.

## Medical, trauma and funeral costs

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

- Medical costs and expenses, including ambulance and hospital fees.
- Psychological counselling required due to the incident.
- Funeral expenses, if the incident directly results in the employee's death within 3 months of the incident.



**Please note: Our liability is limited to the insured value that's stated on your policy schedule.**

## What's excluded

In addition to the general exclusions that apply to all sections of your policy, we also won't pay for any loss or damage that's directly or indirectly caused or aggravated by, or arises or results 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 or 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 gradually-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, including but not limited to, tile grouting breaking down, roof tiles weathering, the roof-ridge capping, and 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 and other pests.
- Normal settling, seepage, shrinkage or expansion in buildings or foundations, walls, pavements, and roads, and other structural improvements.
- Unblocking waste and sewer pipes.
- Demolition ordered by any lawful authority due to a failure by you or any agent of yours to obtain necessary building, construction, or development consents or permits.
- Inherent vice or latent defect, defective design, defective workmanship, structure defects, defective construction and 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, renovating or construction.

- Damage caused by theft, attempted theft, or any attempt at malicious damage, if the insured property is 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 initial 60-day period you'll be considered your own insurer for the difference and will bear a rateable share of the amount of the loss or 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 as stated 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 that a tenant is responsible for in terms of a lease agreement.
- Damage that existed before the start date of your policy.

You're not covered for:

- The cost of repairing leaking pipes, taps, waste pipes, sewers, shower bases, basins, baths, ornamental ponds, jacuzzis, hot tubs, spa baths, and swimming pools, including 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 'Machinery breakdown' and 'The king's geyser guard'.
- Any dishonest act on your part.
- Damage to:
  - Retaining walls, which is caused by storm, wind, water, hail or snow unless, before the incident, you provided us with proof that such walls were designed and constructed in accordance with a professional structural engineer's design specification and in accordance with building laws and regulations, and we've specifically agreed to cover the walls.
  - Synthetic tennis court and bowling green surfaces that are more than 10 years old.
  - Swimming pools, spas or surrounds, which is caused by movement of their foundations or structure.



## 1.2 Common area contents



### 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.

### By 'common area contents' we mean

Movable property while it's in, on or about your common area/s at the property stated on your policy schedule, that you're legally responsible for, including:

- 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 or spa covers and accessories.
- Gym and laundry equipment.
- Stock on your premises.
- Any additional items stated on your policy schedule, that we agree to cover.

### What's covered by the king

#### Sudden and unforeseen damage

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.
- Vehicles 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 that are covered under 'Business all risk' and stated as such on your policy schedule.

## Let's talk money

### Basis of settlement

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

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

### Replacement value


You're covered for the reasonable cost of repairing or replacing an item to a condition that's 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.

If an item that's part of a set is damaged, 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.

If wall, floor or ceiling coverings (including carpets, blinds and curtains) are damaged, we'll pay only for the cost of repairing or replacing the item in the room, hall or passage where the damage happened.

### Average

The most we'll pay is the insured value that's stated on your policy schedule. If the replacement value of your common area contents is more than the insured value, we won't pay the full amount of your claim. We'll calculate the difference between the replacement value and the insured value, and apply this proportionately to your claim. You'll be considered your own insurer for the difference and will bear a rateable share of the amount of the loss or damage.

 **Please note: If there's more than 1 item stated 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 values of the affected property, as stated on your policy schedule.

### Accidental breakage of glass

You're covered for mirror glass, plate glass tops on furniture and fixed glass that forms part of any furniture that you're legally responsible for, which is accidentally broken, limited to R5,000 for any 1 incident.

### Common area contents in the open

You're covered for the loss of, or damage to, common area contents while they're in a common area but not in a fully-enclosed structure.

 **Please note: Our liability for common area contents that are in the open air or in transit is limited to R20,000.**

### Intercom system SIM card

You're covered for charges levied to unauthorised phone numbers after the theft of a SIM card from any intercom system, limited to R2,500.

### Loss of documents

You're covered for the costs, charges and expenses necessarily incurred to replace, restore or rewrite the records and books of accounts that you're legally responsible for, limited to the insured value that's stated on your policy schedule, per incident.

We'll also:

- Replace your title deeds, and any unit owner's title deeds that are held in trust by you.

Cover your legal liability as a direct consequence of any loss of, or damage to, your documents, limited to R1,000,000.

### Power surges

You're covered for damage caused by an electrical power surge, limited to the insured value that's stated on your policy schedule.

## Theft without forced and violent entry

You're covered for loss or damage caused by theft where there's no forced or violent entry into or exit from a building, limited to the insured value that's stated on your policy schedule.

## Optional cover

### Cover more. Pay a little more

**You may choose to add the following option to your basic 'Common area contents' cover. If so, it'll 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, limited to the insured value that's stated on your policy schedule.

## What's excluded

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

- Caused to common area contents resulting from construction, erection, demolition or additions.
- That's covered by any guarantee, service or purchase contract, or purchase agreement.
- To carpets, blinds and curtains resulting from staining, fading or fraying.
- To any item used by an occupant as a tool of trade.
- That's caused with your knowledge or consent, or that's caused by you or any of your members, partners, directors, principals or employees, or any resident at the premises.
- That happens while the building has been unoccupied for more than 60 consecutive days.
- That arises directly or indirectly out of, or is in any way connected with:
  - A lack of maintenance or any other failure to keep the insured property properly maintained.
  - Rainwater or stormwater seeping or percolating through walls, roofs or floors or entering as a result of structural defects or faulty materials, design or workmanship.
  - Mildew, mould, contamination, disease, wet or dry rot, a change of colour, evaporation, rising damp, dampness of atmosphere or variations in temperature.
  - Wear and tear, corrosion, rust or oxidation, fading, chipping, scratching, 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.

You're also not covered for:

- Malicious damage.
- Any additional costs resulting from the unavailability of matching materials or equipment.

## **1.3 Business all risk**

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

#### **Accidental loss and damage**

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, limited to the insured value that's stated on your policy schedule.

## Replacement value

You're covered for the reasonable cost of repairing or replacing a specified item to a condition that's substantially the same as when new, but not better or more extensive than when new. So, you 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 at a current replacement cost.

If an item that's part of a set is damaged, 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.

## What's excluded

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

- Mechanical, electronic or electrical breakdown, failure, breakage or derangement unless caused by an accident or misfortune that's not otherwise excluded.
- Wear and tear, gradual deterioration or any process of cleaning, repairing or restoring, or as a result of light, atmospheric or climatic conditions unless following an accident or misfortune that's not otherwise excluded.
- Scratching, denting or chipping that doesn't affect 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.
- Your dishonesty, or that of your employee or office bearers, whether acting alone or in collusion with others.

## 1.4 Money



### 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.

### By 'money' we mean

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

### Loss

You're covered for the loss of money while contained inside your insured building during the period of cover at the address stated on your policy schedule, and also while 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 'Fidelity' or any other fidelity insurance.

### Let's talk money

Our liability is limited to the insured value that's stated on your policy schedule, less the applicable excess, per incident.

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 while 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 R10,000 and R30,000.
- Over R30,000 by an approved professional security company.



**Please note: The transit of money between your premises and the bank must be uninterrupted, except if the money is being transported by an approved professional security company.**

## The king's additional benefits

If we accept and pay a claim for loss or damage to your money, the following additional benefits will be covered too, provided that the amount recoverable doesn't exceed the insured value that's stated on your policy schedule.

### Locks and keys

You're covered for the cost necessarily incurred to replace locks and keys to any receptacle at the insured premises following the disappearance of any key to a receptacle, or if you have reason to believe that an unauthorised person is in possession of a duplicate key, limited to the insured value that's stated on your policy schedule.

### Personal assault

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



**Please note: Our liability is limited to R10,000.**

### Receptacles and clothing

You're covered for the costs necessarily incurred to replace receptacles and clothing following loss or damage, limited to the insured value that's stated on your policy schedule.

#### By 'receptacle' we mean

Any safe, strong room, strong box, till, cash register, cash box or other receptacle for money.

#### By 'clothing' we mean

Personal effects that belong to you, or to any partner, director or employee, and that aren't otherwise insured.

### Skeleton keys

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

## What's excluded

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

- A shortage of money due to error or omission.
- The dishonesty of any trustee, member of the body corporate or employee of yours, which isn't discovered within 14 working days of it happening.
- The use of keys to any safe or strong room, unless the keys are obtained by violence or threats of violence.

You're also not covered for money while it's in a vehicle and being transported to the bank, unless you, or an employee or office bearer, are/is in the vehicle.



**Please note: You're covered if an accident involving the vehicle incapacitates you or the employee or office bearer.**



# Section 2: Machinery breakdown



## In a nutshell...

Whether you own it, or whether you're just responsible for it... We'll cover your mechanical and electrical plant, machinery, boilers and pressure equipment, while offering you top-notch royal service!

## By 'machinery' we mean

Mechanical and electrical plant, machinery, boilers and pressure equipment that's owned by you or that you're legally responsible for, including:

- Air conditioning plants.
- Lifts, escalators and 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, including pressure vessels, economiser and super heaters and attached pipe systems, which are subject to steam, gas or fluid pressure or vacuum.



**Please note: These must be stated on your policy schedule in order for you to enjoy cover.**

## 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 insured premises and is in the ordinary course of working at the time that the damage occurs.



**By ‘breakdown’ we mean**

The sudden and unforeseen physical loss of or damage to machines, boilers and pressure plants from any cause that’s not otherwise excluded, and which requires repair or replacement to enable normal working to continue.

**By ‘collapse’ we mean**

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 re-erecting machinery, boilers and pressure plant and/or their parts, including debris removal.
- Replacing refrigerant gases, liquids and insulating oil necessary to complete repairs.
- Overtime and work on public holidays, where necessarily and reasonably incurred.
- Freight within South Africa by any recognised freight service, limited to 10% of the insured value of the item.
- Hiring a temporary replacement item while a damaged item is being repaired in a valid claim, limited to 10% of the insured value of the item.

**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 of less than 300l.

**The stuff you need to do**


You must take reasonable precautions to ensure that the machinery is maintained in good working order and isn’t habitually or intentionally overloaded, and that regulations relating to its operation 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 other machinery that’s stated 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 incident.

The insured value for each item of machinery that's individually stated 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 individually-stated item, it's found that the total value of the item is more than its insured value, you'll be considered your own insurer for the difference and will bear a rateable share of the amount of the loss or damage. Each item that's individually stated on your policy schedule will be separately subject to this condition.

 **Please note: Our liability is limited to the insured value that's stated on your policy schedule.**

We'll also pay the cost of temporary repairs that are carried out by you in the interest 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, the additional cost incurred and the consequences arising from the repair 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 on-site cost of parts, assembly and custom duties, less the value of any re-usable parts.

If 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, as allowed for in the insured value that's stated on your policy schedule. If replacement parts are unavailable or obsolete, we won't pay more than the manufacturer or suppliers' latest list price.

If 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 repairing it equals or exceeds the new replacement value immediately before the damage, less a reasonable amount for use.

## What's excluded

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

- Damage, defects or defective insulation, due to the wearing away or wearing out of any part of a machine, that's caused by or naturally results 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 that's covered elsewhere 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 and scale formation).
- Any damage or loss that's covered under any warranty or service agreement or that would've been covered under a warranty or service agreement if you hadn't breached the terms of the warranty or service agreement.
- Damage to machinery while the building is undergoing any extensions, alterations or renovations, and which directly or indirectly results from the building work.
- Loss of refrigerant oil or lubricant, due solely to worn or deteriorated seals or valves.
- Cleaning and maintenance services.
- Any consequences arising from temporary repairs, unless we've authorised such repairs.
- Alterations, additions, improvements, overhauls, maintenance and adjustments, and the replacement of undamaged components whether carried out in the course of repairs or as a separate operation.
- Adjustment, cleaning or recharging refrigeration or air conditioning equipment, unless necessary as part of the repair of any machine that's insured under this section.
- Repairing or replacing 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 that's 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, boilers or pressure plant.
- Fire, spontaneous combustion, smoke or soot, extinguishing of a fire and subsequent demolition.
- Any process of heat treatment, welding, grinding, cutting, drilling, shaping or the application of tools to boilers and pressure plant.
- Unloading, delivery to, and loading before dispatch from, the location.
- Damage or loss caused by any willful act or negligence on your part.

# Section 3: Electronic equipment

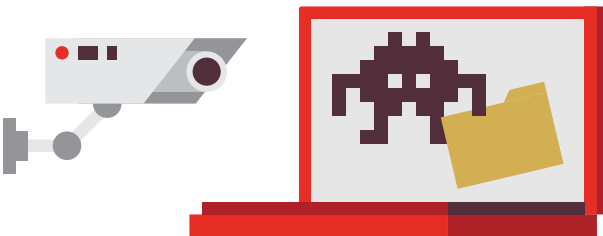


## In a nutshell...

This ensures that your electronic equipment's covered in case of sudden and unforeseen physical damage. The best part? The king also covers your data and software in case of loss, destruction or corruption!

## By 'electronic equipment' we mean

- 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 stated on your policy schedule.
- Electronic equipment (excluding computers and peripheral equipment) as stated on your policy schedule.
- An executable program or computer code segment that's self-replicating, requires a host program or executable segment in which it can be contained, and which destroys or alters the host, program or other computer code or data, causing undesired program 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, including any optical discs or magnetic medium that can be used to store data or software such as, but not limited to, tapes, discs and 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

You're covered for the sudden or unforeseen physical damage to, or destruction of, your electronic equipment, which requires repairs or replacement before normal operation can be resumed.

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

\* **Please note: Our liability is limited to the insured value that's stated on your policy schedule and is subject to the terms, conditions, exclusions and limitations that apply to this section, as well as those that apply to all the sections of this policy.**

## What's NOT covered by the king

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

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

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

## Let's talk money

If your insured electronic equipment is damaged, 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 repairing or replacing the item to a condition that's substantially the same as when new, but that isn't better or more extensive than when new. We'll calculate the difference between the new replacement value and insured value and apply this amount proportionately to your claim.
- Any combination of these, limited to the insured value/s stated on your policy schedule.

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

## The king's additional benefits

If we accept and pay a claim for loss or damage to your electronic equipment, the following additional benefits will be covered too, provided that the amount recoverable doesn't exceed the insured value/s stated on your policy schedule.

### Cost of restoring data

You're covered for the cost of restoring your data and software that's accidentally damaged, together with the cost of replacing any damaged media material, limited to the insured value that's stated on your policy schedule, for any 1 incident.

Provided that we won't pay for damage:

- To data, software or media material, that's caused by a failure or defect in the media material.
- To data that was generated, altered or processed more than 5 working days before the incident.
- That's caused by an error in processing data or in the use of software.
- That's caused by the erasure, deletion or overwriting of any data or software.
- That's caused by unauthorised access being gained to any operating system that's used by any part of the insured equipment, via any communications system.
- That's 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

You're covered for costs that are in excess of your normal total computer operating costs, limited to the insured value that's stated on your policy schedule, for any 1 incident.

Provided that:

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

We won't pay for costs incurred:

- After 90 days have elapsed since the incident.
- During the 24 hours immediately after the incident.

### Removal of debris

You're covered for the cost necessarily incurred for removing, storing and disposing of debris following damage to the insured electronic equipment, limited to 15% of the claim value.

## What's excluded

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

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

# Section 4: Public liability (claims made basis)



## 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

### 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 the insured value that's stated on your policy schedule.

### Your legal liability

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

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 report the incident to us.

### By 'retroactive date' we mean

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



## What's NOT covered by the king

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

## The stuff you need to do

If you're no longer covered with us, you must report any incident that happened while you were covered with us within 30 days of the date that your policy with us ended.

## Let's talk money

We'll pay, on your behalf, all amounts that 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 that's not committed by you or at your direction, unless for the purpose of preventing personal injury or property damage.
- Physical damage to, or the destruction of, tangible property, including subsequent loss of use from the damage or destruction.

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

 **Please note: Our liability is limited to the insured value that's stated on your policy schedule, at the time of the incident.**

If there's more than 1 period of insurance for this policy that may apply to an incident, for example following policy renewal or replacement, our liability is limited to the insured value for the period of insurance starting with the start or renewal date, whichever is applicable.

## The king's additional benefit

If we accept and pay a liability claim on your behalf, the following additional benefit will be covered too, provided that the amount recoverable doesn't exceed the insured value stated on your policy schedule.

## Emergency medical expenses

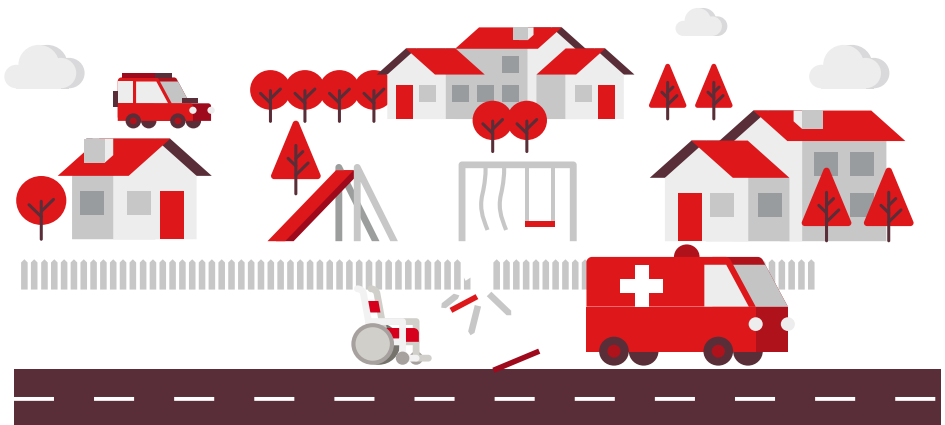
You're covered up to R50,000 for all reasonable expenses that you may incur for any immediate medical treatment that may be necessary at the time of an incident that causes injury to any person who may be the subject of a liability claim.

### What's excluded

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

- Your use, ownership or possession of any vehicles, motorbikes, mini-bikes, trailers or watercraft, other than golf carts, ride-on mowers and motorised 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 an aircraft or helicopter.
- Injury to:
  - You.
  - Any member of your household, or member of your family.
  - Any trustee or director of yours, or any person employed by you under a contract of service, whether such injury directly arises from or is sustained in the course of such employment by you.
- Damage to property:
  - That belongs to you or that you're responsible for.
  - In your custody or control, or that of any of your employees.
  - That's caused by vibration, or the removal or weakening of, or interference with, support to any land, building or other structure.
  - That you are, or have been, working on, if the damage results directly from such work.
- Any claim arising from an event known to you:
  - That hasn't been reported to us in terms of the general conditions of this policy.
  - Before the start date of this policy or of any cover under this section.
- Any liability assumed by agreement, except where liability otherwise exists by 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 alteration, addition or repair to, or servicing of, lifts, escalators or hoists, including anything that forms part of a lift, escalator or hoist, that you do. This doesn't apply to alteration, addition or repair to, or servicing of, lifts, escalators or hoists that's done by a person or company that you employ or contract and who's qualified to do such work.

- Injury or damage to, or the loss of use of, property directly or indirectly caused by seepage, pollution or contamination, except if 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.
- Liability that's 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 insured premises stated on your policy schedule, which are being used for commercial purposes, including childcare, conferencing or meetings, golf or putting courses, gyms and other exercise facilities, laundries and dry cleaners, man-made lakes and natural water courses, medical facilities and chemists, marinas, playgrounds, shops, swimming and other aquatic pools, and tennis and squash courts, unless such facilities are specifically stated on your policy schedule as being covered.
- Any liability that's due to your deliberate, conscious and intentional disregard or to your failure to take reasonable precautions to prevent any incident that may give rise to a claim.
- Any of your internal or overhead expenses, or the cost of your time.
- Fines or penalties imposed by law, including civil penalties, and vindictive, punitive or exemplary damages.



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



## In a nutshell...

Here we cover any wrongful acts committed by your office bearers while they're acting on your behalf, in their capacity as an office bearer and carrying out their duties.

### By 'wrongful act' we mean

Any actual or alleged error, breach of trust or duty, neglect, misstatement, misleading statement, omission or other act that's wrongfully committed, or attempted, by an office bearer, while acting in their capacity as office bearer and carrying out the duties and requirements of the business as defined.

### By 'you, your and yours' we mean

The body corporate, homeowners' association, share block investors, management committee and office bearers of the insured community scheme, 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 as amended.
- Homeowners' association: The directors of a non-profit company acting within the requirements of the Companies Act No. 71 of 2008 as amended.
- Share block investors: The directors/members of a syndicate or company acting within the requirements of the Share Blocks Control Act No. 59 of 1980 as amended.
- Management committee: Who are acting within the requirements of the Housing Development Schemes for Retired Persons Act No. 65 of 1988 as amended.

## What's covered by the king

You're covered for any loss arising out of claims brought against you by reason of a wrongful act that was committed on or after the retroactive date of this policy and first made during the period of insurance, provided that we receive notice of such claim in writing during the period of insurance, and such claim arises from an act that isn't excluded under 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.

### **By 'retroactive date' we mean**

The date from which you have been continuously insured under 1 policy or successive policies, that 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 won't 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'll 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 that we'll pay, inclusive of all costs and expenses in respect of all claims under this section, won't exceed the insured value that's stated on your policy schedule during any 1 period of insurance, starting with the start or renewal date, whichever is applicable, regardless of the number of claims made or reported.

If the insured value is altered during the period of insurance, the insured value that 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 won't 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 insured value isn't exceeded.

## **What's excluded**

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

- 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 compulsory payment.
- Remuneration for which the body corporate or company is legally liable.

- An incident that may result in a claim that you were aware of or could reasonably have been expected to be aware of, before the start 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, and 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, although this exclusion won't 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 that are stated on your policy schedule.
- Any claim first made before the retroactive date stated on your policy schedule.
- Any claim or circumstances notified, in whole or part, to the company or any other insurer before the period of insurance.
- 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, before the period of insurance.
- 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.

## **The king's additional benefit**

### **Court appearance**

You're covered for the daily take-home salary or wage of an office bearer, body corporate committee member or managing agent if we require such person to attend court in connection with a claim, limited to R3,000 per day and R12,000 annually.

# Section 6: Fidelity



## In a nutshell...

This covers you against losses incurred as a result of dishonest employees, which occur on or after the retroactive date (specified on your policy schedule) and are 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 while 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 if 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, that 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**

You're covered for the value of money, negotiable instruments and/or securities received by you or collected on your behalf, which has been or was to have been 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 stated 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.

### **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 counsel without our prior consent.

## Let's talk money

We'll only pay:

- Up to the insured value that's 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 circumstances concerned herein are either common or directly or indirectly related. 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 won't 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 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 doesn't exceed the sum of the insured values stated on your policy schedule.

### 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.**

## 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 insured value that's stated on your policy schedule and is restricted to the percentage of the insured value, up to a maximum of 15% of the annual aggregate insured value but won't exceed R5,000,000 in any 1 period of insurance.
- Such loss exceeds the excess 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.

## **What's excluded**

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

- Aren't discovered during the period of insurance or that happen before the retroactive date that's stated on your policy schedule.
- Result 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.
- Result from any actual or apparent shortage (regardless of the amount thereof) in any physical cash balance, or inventory, and caused by any error of the employee committed in good faith.
- Arise from indirect or consequential loss of any nature.
- Are incurred by any company or other legal entity acquired by you during the currency of the policy, unless stated on your policy schedule, or unless the acquisition of such company or other legal entity doesn't increase your number of employees or annual turnover by more than 20%.
- Result from, or are contributed to by, any theft, fraud or dishonesty committed by:
  - Any partner, 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 they've committed any theft, fraud or dishonesty.
- Are based on, arise out of, or directly or indirectly result from or as a consequence of, or in any way involve, any pension, profit sharing, employee benefit or welfare programme, or any share option or incentive scheme or trust, that's established in whole or in part to benefit any of your directors, officers or employees.

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



## 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 isn't excluded in this section or excluded under '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 who's employed by you under a contract of service, but excluding managing agents and their employees, and appointed contractors and their sub-contractors.

### By 'incident' we mean

An event that results in personal injury that you don't expect or intend 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 incident.

### By 'retroactive date' we mean

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

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

You're covered for the accidental death or illness of, and bodily injury to, any employee, that happened in the course of and in connection with their employment by you, within the territorial limits of this policy.

We'll only pay if, at the time of the incident, the employee is doing work for you in respect of your ownership or 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.

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

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

If you're no longer covered with us, you must report any incident that happened while you were covered with us within 30 days of the date that your policy with us ended.

## **Let's talk money**

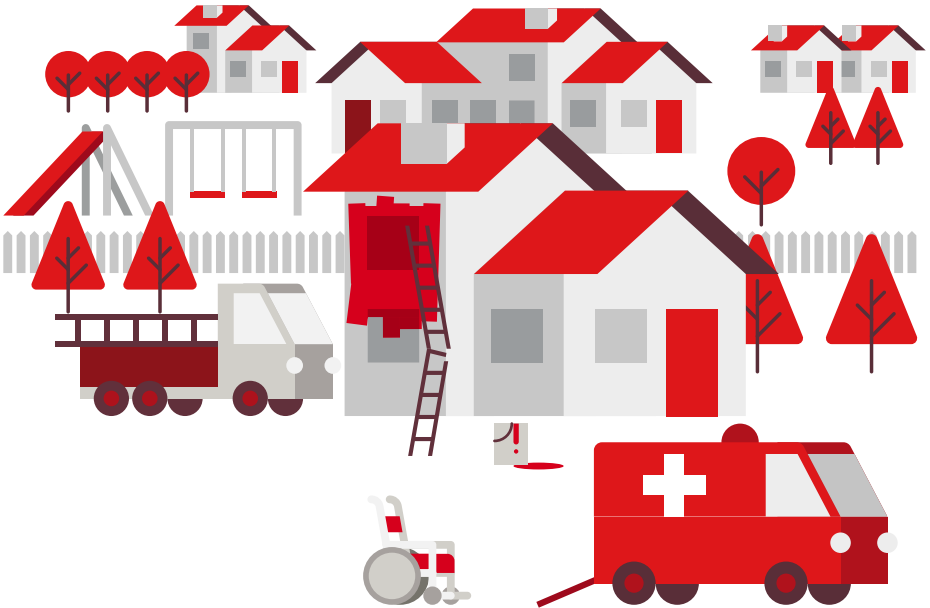
Our liability is limited to the insured value (including all costs and expenses) that's stated on your policy schedule, during any 1 period of insurance, regardless of the number of claims made or reported.

If the insured value is altered during the period of insurance, the insured value that applied when you first became aware of the incident will apply to all claims made or deemed to have been made, or that arise from the incident.

## What's excluded

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

- Liability that's assumed by you under any contract, undertaking or agreement, if this liability wouldn't have attached to you in the absence of such contract, undertaking or agreement.
- Liability for disease or impairment due to a gradually operating cause and not 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 happened before the start date of this policy that you were aware of, or could reasonably have been expected to be aware of, that may result in a claim.
- Any incident that you're entitled to claim for under another policy that ended before this policy started.
- Any of your internal or overhead expenses or the cost of your time.
- Fines or penalties imposed by law, including civil penalties, and vindictive, punitive or exemplary damages.



# Section 8: Group personal accident



## In a nutshell...

You're covered if your trustees, directors or employees are injured as a result of violent, accidental, external and visible means while they're engaged in work on your behalf.

### By 'group personal accident' we mean

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

### By 'permanent disablement' we mean

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

## What's covered by the king

You're covered for compensation for any trustee, director or employee who dies or becomes disabled solely and directly by violent, accidental, external and visible means due to an incident that happens during the period of insurance and while they're working on your behalf in connection with the insured premises stated on your policy schedule.

## 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

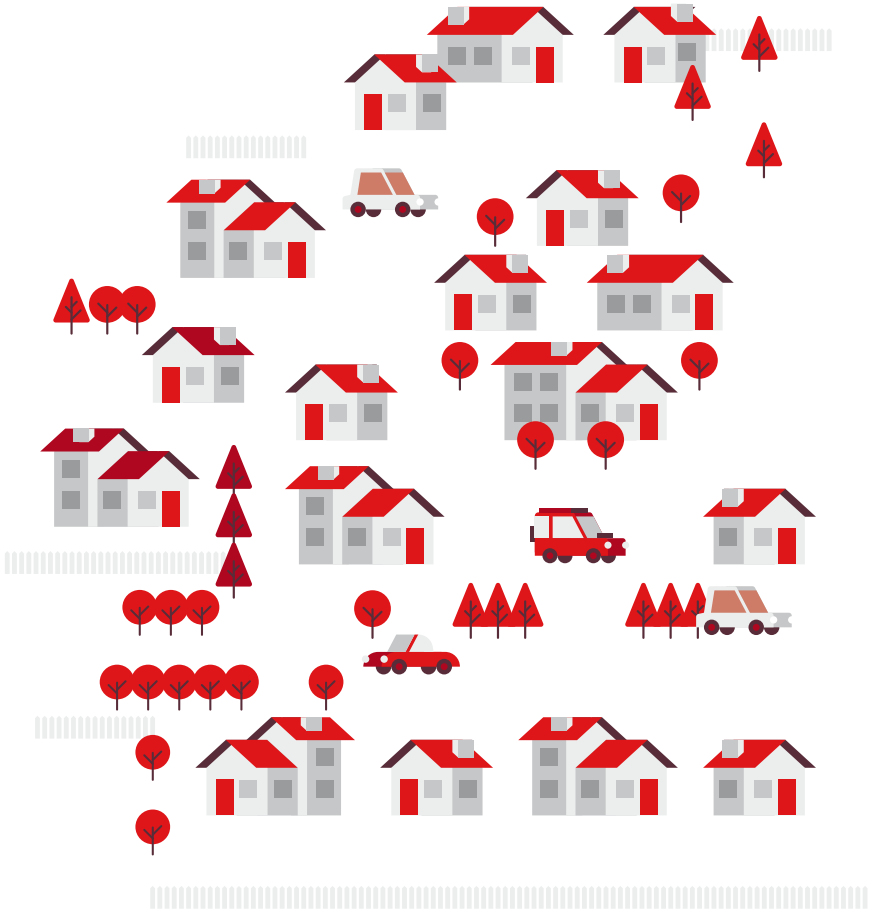
We'll pay each injured trustee, director, employee or voluntary worker, provided that:

- If such person 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.
- Such person 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, such person earned a regular income derived from their physical exertion immediately before 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, such person 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 out of or attributable to intentional self-injury or suicide, including injuries suffered as a result of attempted suicide.
- Arising directly or indirectly from such person being pregnant or giving birth.
- If such person doesn't obtain medical assistance from a medical practitioner as soon as possible following the incident.
- If such person is under 18 or over 70 years of age.





# Section 9: Motor



## In a nutshell...

You need to keep your community scheme's vehicles moving forward. That's why you need King Price motor insurance. We've got you covered for the loss of, or damage to, your vehicles due to accidents, fire, hail, or unlawful 'borrowing'. And if your vehicles cause injury to third parties, or they accidentally damage other people's property, we've got you covered for that, too.

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

Any South African-registered:

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

The vehicle being covered must be owned by you, or be a vehicle that you've hired, borrowed or leased temporarily and which serves as a replacement vehicle for 1 that's out of use for the purpose of overhaul, upkeep, maintenance or repair. The maximum amount we'll pay for the replacement vehicle won't exceed the lesser of the market value of the replacement vehicle or the insured value of the replaced vehicle, as stated on your policy schedule.

## By 'usage' we mean

The use that you choose is stated on your policy schedule. To have sufficient cover, it's vital that you insure your vehicle for the correct use.

### • **Private use**

Private or social purposes, including driving between your home and regular place of work.

### • **Business use**

Private use with additional cover, for instance if the vehicle forms an essential part of any work or function. (It basically means that without your vehicle you can't really make a living.)

### By 'insured value' we mean

The insured value that's stated on your policy schedule refers to the amount a vehicle is covered for: Either the agreed or retail value.

In the event of a claim, the maximum amount that we'll pay is this insured value minus:

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

If the vehicle is financed we'll first pay the outstanding settlement over to the relevant finance institution, up to the 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.

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

If the vehicle has been hi-jacked or stolen and not recovered, or if it's been written off, we'll 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.



## **Choice of cover**

### **Your choice, our pleasure**

**You can choose to cover your vehicle in 3 ways:**

#### **Comprehensive cover**

Cover for the loss of, or damage to, an insured vehicle caused by an accident or fire, self-ignition, lightning or explosion, or by the theft or any attempted theft of the vehicle. 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, an insured vehicle caused by fire, self ignition, lightning, or explosion, or by the theft or any attempted theft of the vehicle. Liability to others is also covered under this section but you don't have cover for any medical expenses here.

#### **Third party only**

Cover as provided for under 'Liability to others' only. You don't have cover for any loss or damage to the vehicle itself, or cover for any medical expenses.

#### **Comprehensive cover**

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

### **Cross liabilities**

Where more than 1 insured person is stated on your policy 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 won't exceed the insured value that's stated on your policy schedule.

### **Fire extinguishing charges**

You're covered for costs relating to the extinguishing or fighting of fire that endangers an insured vehicle. Such costs will be deemed to be damage to the vehicle and will be payable in addition to any other payment for which we may be liable in terms of this section, provided that you're legally liable for such costs, and limited to R10,000.


## Liability to others

You're covered for any accident caused by, through, or in connection with, any vehicle stated on your policy schedule, or in connection with the loading and/or unloading of such vehicle in respect of which you and/or any passenger become/s legally liable to pay costs and expenses for:

- The death of, or bodily injury to, any person, but excluding the death of, or bodily injury to, any person who you employ, and which arises from and in the course of their employment, or any member of your household.
- Damage to property other than property that belongs to, or that's held in trust by, you or is in your custody or control, or is being conveyed by, loaded onto or unloaded from the insured vehicle.

We'll 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 that you've claimed for under this cover, or for defending, in any magistrate's court, any criminal proceedings in respect of any act causing or relating to any incident that you've claimed for. The total amount we'll pay for the claim, together with any costs and expenses, is limited to the insured value that's stated on your policy schedule for 'Liability' cover.
- Cover any person who drives or uses an insured vehicle on your instruction or with your permission, provided that the person:
  - Observes, fulfills and is subject to the exclusions, and terms and conditions, of this insurance cover, as you would, in so far as they can apply.
  - Who's driving the vehicle hasn't been refused any vehicle insurance cover or renewal of cover by any insurer (including us).
  - Isn't covered under any other policy, except for any amount that you can't claim for under this policy.
- Cover you while personally driving or using any private-type vehicle that doesn't belong to you, and isn't leased or hired to you under a lease or suspensive sale agreement, provided that you're an individual and have insured a vehicle (other than a motorbike, bus or trailer) under this policy, and provided that we're liable for damage to the vehicle itself.
- Cover liability arising from the towing by a vehicle (other than for reward) for any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided that we're liable for damage to the towed vehicle or trailer itself, or the property in or on it.

 **Please note: Cover won't apply to claims made by any member of the same household as the driver.**

## Loss or damage

You're covered for the loss of, or damage to, the vehicles that are stated on your policy schedule, whether caused by accident, theft or hi-jacking, including their accessories and spare parts (while on or in the vehicle). In addition, if a vehicle 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 vehicle to the nearest repairer.


We'll also pay the reasonable cost of delivering the vehicle 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.

## Medical expenses

If an occupant, anywhere in an insured vehicle or such vehicle's permanently enclosed compartment designed for carrying passengers, sustains bodily injury by violent, accidental, external and visible means, we'll pay you the medical expenses incurred as a result of the injury, limited to R2,000 per injured occupant.

You're covered for a maximum of R25,000 in total for all the occupants who're injured as a result of an incident or series of incidents caused by 1 single event. Medical expenses include any costs incurred to free an injured occupant from an insured vehicle, and the cost to transport 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.

 **Please note: You'll only have 'Medical expenses' cover if the vehicle involved in the incident is comprehensively covered for loss or damage to the vehicle itself under this policy, and is a private-type vehicle or motorised caravan, or any other vehicle other than a bus or taxi.**

## Third party, fire and theft only

### What's covered by the king

#### Cross liabilities

Where more than 1 insured person is stated on your policy 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 won't exceed the insured value that's stated on your policy schedule.

#### Fire extinguishing charges

You're covered for costs relating to the extinguishing or fighting of fire that endangers an insured vehicle. Such costs will be deemed to be damage to the vehicle and will be payable in addition to any other payment for which we may be liable in terms of this section, provided that you're legally liable for such costs, and limited to R10,000.

#### Liability to others


You're covered for any accident caused by, through, or in connection with, any vehicle stated on your policy schedule, or in connection with the loading and/or unloading of such vehicle in respect of which you and/or any passenger become/s legally liable to pay costs and expenses for:

- The death of, or bodily injury to, any person, but excluding the death of, or bodily injury to, any person who you employ, and which arises from and in the course of their employment, or any member of your household.
- Damage to property other than property that belong to, or that's held in trust by, you or is in your custody or control, or is being conveyed by, loaded onto or unloaded from the vehicle.

We'll 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 that you've claimed for under this cover, or for defending, in any magistrate's court, any criminal proceedings in respect of any act causing or relating to any incident that you've claimed for. The total we'll pay for the claim, together with any costs and expenses, is limited to the insured value that's stated on your policy schedule for 'Liability' cover.
- Cover any person who drives or uses an insured vehicle on your instruction or with your permission, provided that the person:
  - Observes, fulfills and is subject to the exclusions, and terms and conditions, of this insurance cover, as you would, in so far as they can apply.

- Who's driving the vehicle hasn't been refused any vehicle insurance cover or renewal of cover by any insurer (including us).
- Isn't covered under any other policy, except for any amount that you can't claim for under this policy.
- Cover you while personally driving or using any private-type vehicle that doesn't belong to you, and isn't leased or hired to you under a lease or suspensive sale agreement, provided that you're an individual and have insured a vehicle (other than a motorbike, bus or trailer) under this policy, and provided that we're liable for damage to the vehicle itself.
- Cover liability arising from the towing by a vehicle (other than for reward) for any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided that we're liable for damage to the towed vehicle or trailer itself, or the property in or on it.

 **Please note: Cover won't apply to claims made by any member of the same household as the driver.**

## Loss or damage

You're covered for the loss of, or damage to, the vehicles that are stated on your policy schedule, when caused by theft or hi-jacking, and their accessories and spare parts (while on or in the vehicle). In addition, if a vehicle 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 vehicle to the nearest repairer.

We'll also pay the reasonable cost of delivering the vehicle 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.

## Third party only

### What's covered by the king

#### Liability to others

You're covered for any accident caused by, through, or in connection with, any vehicle stated on your policy schedule, or in connection with the loading and/or unloading of such vehicle in respect of which you and/or any passenger become/s legally liable to pay costs and expenses for:

- The death of, or bodily injury to, any person, but excluding the death of, or bodily injury to, any person who you employ, and which arises from and in the course of their employment, or any member of your household.

- Damage to property other than property that belongs to, or that's held in trust by, you or is in your custody or control, or is being conveyed by, loaded onto or unloaded from the vehicle.

We'll 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 that you've claimed for under this cover, or for defending, in any magistrate's court, any criminal proceedings in respect of any act causing or relating to any incident that you've claimed for. The total we'll pay for the claim, together with any costs and expenses, is limited to the insured value that's stated on your policy schedule for 'Liability' cover.
- Cover any person who drives or uses an insured vehicle on your instruction or with your permission, provided that the person:
  - Observes, fulfills and is subject to the exclusions, and terms and conditions, of this insurance cover, as you would, in so far as they can apply.
  - Who's driving the vehicle hasn't been refused any vehicle insurance cover or renewal of cover by any insurer (including us).
  - Isn't covered under any other policy, except for any amount that you can't claim for under this policy.
- Cover you while personally driving or using any private-type vehicle that doesn't belong to you, and isn't leased or hired to you under a lease or suspensive sale agreement, provided that you're an individual and have insured a vehicle (other than a motorbike, bus or trailer) under this policy, and provided that we're liable for damage to the vehicle itself.
- Cover liability arising from the towing by a vehicle (other than for reward) for any other vehicle or trailer (including liability in connection with the towed vehicle or trailer), provided that we're liable for damage to the towed vehicle or trailer itself, or the property in or on it.

 **Please note: Cover won't apply to claims made by any member of the same household as the driver.**

## What's NOT covered by the king

 **Please note: The following exclusions apply to all 'Motor' cover options.**

### Accident, injury, loss, damage or liability

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

- If an insured vehicle is being used with your general knowledge and consent, other than for the use that's stated on your policy schedule.



- That's incurred outside South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Mozambique and Zambia. However, you're covered for the loss of, or damage to, any vehicle while it's in transit by sea or air between ports or places in these territories, including during loading and unloading incidental to such transit. In the event of an incident that you can claim for while an insured vehicle is outside South Africa, Namibia, Botswana, Lesotho, Swaziland, Zimbabwe, Malawi, Mozambique and Zambia you're, at your own expense, responsible for the repatriation cost of the vehicle to a country that you're covered in. Until the vehicle has been repatriated to a covered territory, no liability will be admitted or payment made in terms of this cover.
- For a vehicle that's being driven by:
  - You, while under the influence of liquor or drugs (unless administered or prescribed by, and taken in accordance with, the instructions of a member of the medical profession other than yourself) while your blood alcohol percentage exceeds the statutory limit at the time of the incident, or while you're not licensed to drive such vehicle.
  - Any other person who, with your general consent or to your knowledge, is under the influence of liquor or drugs (unless administered or prescribed by, and taken in accordance with, the instructions of a member of the medical profession other than themselves) while their blood alcohol percentage exceeds the statutory limit at the time of the incident, or who isn't licensed to drive such vehicle. This won't apply if you can prove that you were unaware that the driver wasn't licensed and can also prove to our satisfaction that, in the normal course of your business, procedures are in place to ensure that only licensed drivers are permitted to drive the insured vehicles.

Provided that any driver will be deemed to be licensed to drive a vehicle if:

- He/she complies with the licensing laws relating to any of the territories referred to above.
- Non-compliance with any licensing law is solely due to a failure to renew any licence that's subject to periodic renewal.
- A licence isn't required by law.
- The driver is learning to drive and is complying with the laws relating to learners.



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

## **Caravans being lived in**

You're not covered for any accident, injury, loss, damage or liability in respect of a caravan that's being used as permanent residence.

## **Contingent liability**

Your 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 vehicle that isn't yours and isn't provided by you, while being used by your partner, director or employee.
- Any partner, director or employee, in the event of an accident arising in the course of the business and caused by, through or in connection with any vehicle that doesn't belong to, and isn't leased or hired by, either him or you, but only in so far as such partner, director or employee hasn't been refused motor insurance or renewal of cover by any insurer (including us).

Provided that:

- The exclusion which provides that cover under '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 an incident you can claim for (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 vehicle with a carrying capacity less than 1,500kg) won't apply.
- We're not liable for the loss of, or damage to, the vehicle 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 vehicle 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 that you can claim for under this 'Optional' cover, you or such person/s are entitled to claim under any other policy for the same incident, we're not liable to make any payment hereunder, except for any excess beyond the amount payable under the other policy.
- The exclusions and terms and conditions of the policy will otherwise apply.

## **Contractual liability**

You're not covered for any claim arising from contractual liability, unless liability would have attached to you whether the agreement was entered into or not. You're covered, 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, for any principal named in such contract that you enter into for the purposes of the business. Our liability is limited to the insured value that's stated on your policy schedule.

## Credit shortfall

If any total loss settlement is less than the amount owing to a vehicle's financier under a current instalment sale or lease agreement, we'll pay the financier an 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 vehicle (private-type vehicles and LDVs only).
- The increased instalment or rentals that would've 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.
- Your excess.

Provided that:

- The maximum we'll pay for a vehicle is stated on your policy schedule.
- This won't apply to an agreement in which 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.
- The shortfall isn't the result of a re-advance.

## Liability to others

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

- Any compensation or claim that falls within the scope of any compulsory motor vehicle insurance legislation, irrespective of whether such cover is in force or has been effected.
- Liability arising from the operation, demonstration or use (for purposes other than maintenance or repair of the vehicle) of any tool or plant forming part of, or attached to or used in connection with, a vehicle, or anything manufactured by or contained in any such tool or plant, except for forklift trucks.

## 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 an insured vehicle, following the disappearance of any key or alarm controller of the vehicle, or if you have reason to believe that an unauthorised person may be in possession of a duplicate of such key or alarm controller, provided that:

- Our liability is limited to R10,000 per incident.
- You're responsible for the excess stated on your policy schedule.

## Loss or damage

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 that you're covered for, or otherwise.
- Wear and tear, or mechanical, electronic or electrical breakdowns, failures or breakages.
- Damage to tyres caused 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.

## Parking facilities and movement of third party vehicles

You're covered for accidents caused by, through, or in connection with, the moving of any vehicle (that's 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 vehicle 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.

You're not covered for damage to vehicles that are parked for reward.

 **Please note: The vehicle (and its contents) won't be deemed to be held in your trust or control.**

## Passenger liability

You're covered for the 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 an incident you can claim for (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 less than 1,500kg).

 **Please note:**

- **You're not covered for special vehicles.**
- **Our liability is limited to the insured value that's stated on your policy schedule.**


## Riot and strike

This covers you for the loss of, or damage to, your insured property, due to:

- Civil commotion, labour disturbance, riot, strike or lockout.
- 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 'Riot and strike' 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, 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's 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 these exclusions applies, the onus is on you to prove the contrary.**

## Unauthorised passenger liability

If your driver ignores an instruction from you not to carry passengers, this covers you for the death of, or injury to, such passenger being carried in or on, or entering or getting onto or out of, a commercial vehicle, motorcycle, bus or trailer at the time of an incident you can claim for (except such passenger 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 less than 1,500kg).

\* **Please note: Our liability is limited to the insured value that's stated on your policy schedule.**

## Waiver of subrogation rights

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

Except if the driver of the vehicle, at the time of the incident that you're claiming for:

- Was under the influence of alcohol.
- Failed or refused a breathalyser test.
- Had a blood alcohol level in excess of the legal limit.
- Wasn't licensed to drive the vehicle.

## Wreckage removal

You're covered for the loss of, or damage to, an insured vehicle, including the costs and expenses incurred by you for clearing up and removing debris and wreckage of the vehicle following damage in an incident that you can claim for, provided that our liability is limited to the insured value that's stated on your policy schedule, per incident.



# Section 10: Claim 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

You're covered for the reasonable costs that you incur to certify or verify any particulars or details that we require to substantiate the amount of any valid claim made under this policy.

## Let's talk money

Our liability is limited to the insured value that's stated on your policy schedule.

## What's excluded

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

- Any costs incurred without our written consent.
- Your internal or overhead expenses.
- The cost of your time, including the cost of an office bearer or employee's time.



# The king's geyser guard



## In a nutshell...

With our royal cover, a damaged geyser doesn't have to spell disaster... So go ahead and tell us which geyser/s you'd like to cover. We'll handle the rest.

### By 'geyser' we mean

Any system or device (excluding a boiler) used solely to heat water, including its attached valves and components up to 1m away.

### By 'electric geyser' we mean

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

### By 'heat pump' we mean

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

### By 'LPG system' we mean

A domestic water heating system that runs on LPG (liquid petroleum gas) and its components, including the ECU (electronic control unit), valves, flow sensors, fans, heat exchanger, burner and igniter. If there's a water tank, its capacity must be less than 30l.

### By 'solar system' we mean

A low energy-intensive system that uses solar rays to heat water, and that consists of a solar tank, solar collector (flat plate or evacuator tube), thermal lagged piping, related fittings, 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 their 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 insured premises stated on your policy schedule.

## What's NOT covered by the king

You're not covered for a geyser:

- Or boiler with a cylinder capacity of more than 300l.
- That's still covered by a manufacturer's warranty, except if the manufacturer is no longer able to honour the warranty.

## The stuff you need to do

You must exercise all reasonable precautions for the maintenance and safety of an insured geyser, and also to prevent or minimise any loss or damage.

## Let's talk money

We'll pay the reasonable cost to repair or replace an insured geyser that's damaged by any cause that's isn't otherwise excluded, during your period of insurance.

 **Please note: Our liability is limited to the insured value that's stated on your policy schedule.**

## The king's additional benefit

If we accept and pay any claim for your geysers, the following additional benefit will also be covered, provided that the amount recoverable is limited the sum of the insured values stated on your policy schedule.

## Water damage

You're covered for water damage due to leaking or bursting of an insured geyser that's stated on your policy schedule.

## Optional cover

### Cover more. Pay a little more

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

### Environmental upgrade

If, during a successful claim for an electrical geyser, you choose to replace it with an environmentally-friendly product like a solar geyser, heat pump or any other technology that'll improve energy and water efficiency, we'll pay the amount we would've paid to replace the damaged geyser plus an additional percentage of the insured value that's stated on your policy schedule.

### What's excluded

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

- Any condition of the government or local authority, which they'd told you about, or that you were required to comply with, before the incident.
- 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, deliberate withholding, or lack of supply, of water, gas, electricity or fuel.
- Damage to a solar system and resulting damage to a building, if the roof structure wasn't 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, earth leakage or geyser main.

### Important information

#### Claims installation conformance

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

\* **Please note: All repair or replacement parts must comply with South African National Standards (SANS). Installations that don't 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. In such cases, we may settle a claim in cash, limited to the insured value that's stated on your policy schedule.**

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

A solar system must:

- Be SANS 1307 approved.
- Have a PIRB (Plumbing Industry Registration Board) COC (certificate of compliance) for its installation.
- Be designed to withstand frost and freezing conditions.
- Conform to SANS 10106 for its installation, maintenance, repairs and replacements.

An LPG system must:

- Be SABS and SANS 1539 approved.
- Have a valid Appliance Verification Permit for the model.
- Be installed and maintained by a registered SAQCC Gas-authorized practitioner who's undergone Liquefied Petroleum Gas Safety Association of South Africa (LPGSASA) training.
- Have a PIRB (Plumbing Industry Registration Board) COC (certificate of compliance) for its installation.

A heat pump must:

- Be SANS 151-approved.
- Have a PIRB (Plumbing Industry Registration Board) COC (certificate of compliance) for its installation.

## **Service providers**

We require that a King Price-approved service provider of our choice attends to your claim. If you ask us to use a service provider of your choice, we'll only reimburse you at the rate stated on your policy schedule, after we've inspected the salvage and installation for SANS-compliance, if applicable.

There's no excess if your insured geyser is repaired or replaced by a King Price-approved service provider. However, you'll need to pay the excess stated on your policy schedule if you use a non-approved service provider.

## Salvage

A damaged geyser that's replaced by our approved service provider, or paid for on a cash-in-lieu settlement basis, becomes our property to dispose of as we see fit.

### Our claims procedure

You can start your geyser claim immediately by logging it on the King Price app, or our self-service portal. If you use our app there's no excess, provided that:

- You complete all the required fields.
- Your claim is valid.



#### Please note:

- **You can download our app for free, from your app store.**
- **You can also submit a claim by calling us on 0860 11 11 07.**



# Notes

A series of horizontal dotted lines for writing notes.

THANK YOU  
FOR VISITING  
SEE YOU SOON!

