Bryte

Contractor's Plant and Machinery and Liability to Third Parties Annually Renewable Insurance

Policy Document

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Important Introduction: Our Contract of Insurance with You, and Your duties

Thank you for taking out this Contractor's Plant and Machinery and Liability to Third Parties Annually Renewable Insurance Policy with Bryte Insurance Company Limited. As your Insurer we are obliged to communicate and transact with you in a transparent and fair manner and as the Insured you are obligated to do the same.

Your premium payment is a contribution to the common premium account held in trust by Bryte Insurance Company Limited, Registration Number 1965/006764/06. By law, we act as the custodian of this common premium account on behalf of our Insureds.

Before you enter into a contract of insurance with us, you have a duty under the prevailing legislation (as amended), to disclose to us every material matter you know, or could reasonably be expected to know, which is relevant to our decision whether to provide insurance to you and, if so, on what terms. This duty applies to all persons to be insured under this contract of insurance. All these material matters that you provide and which describe the object(s) of risk for the purposes of identification, valuation and their potential exposure to risk and in which you may have an insurable interest, are termed "underwriting information". Such underwriting information shall be presented to us in writing and/or in an acceptable electronic format in sufficient detail and may include risk surveys done by our Risk Engineers. You have the same duty to disclose those material matters to us before you apply for the renewal, extension, variation or reinstatement of a contract of insurance.

Your duty includes at any time during the period of insurance, to inform us as soon as possible of any of the following:

- any material variations, deletions or additions to the facts regarding the underwriting information in our possession;
- any variations in the values insured, as stipulated in this Policy Wording, the Policy Schedule and any endorsements.

The underwriting information that you provide, together with this Policy Wording, the Policy Schedule, any endorsements thereto and the requirement that you fulfill your obligations as stipulated in the Policy Wording, the Policy Schedule and any endorsements thereto form the basis on which the insurance policy is issued to you and, if so, on what terms and at what price.

Please take note of the following:

- in terms of the Short-term Insurance Act, the Motor Policy provides policy benefits for possession, use or ownership of a motor vehicle. Hence, the intention of this Policy is to provide cover to Plant and Machinery whilst performing operations related to construction and/or erection on construction sites and as more specifically described in the Policy Schedule. The Policy is not applicable to vehicles used in non-construction site operations or general road transportation other than dump trucks, water carriers, mobile cranes and other similar site vehicles as described under General Definitions item 15: Plant and Machinery, unless agreed to by endorsement, and subject to General Condition 14: Other insurance.
- where a Plant and Machinery item insured under this Policy is used on any construction site, and there is a Contractor's All Risks/Contract Works insurance policy, with a Third Party/Public Liability Section with a Cross Liability extension clause in force for the work being done on such site, then Section III : Liability to Third Parties of this Policy shall be null and void for any public liability that may arise from such use, but for any difference in the deductible between the two policies.

After you as the Insured have paid the premium as required for the insurance policy that we have issued to you, you may submit a claim to us resulting from covered loss or damage to the insured property, or for covered claims made against you. You need to follow the procedures as stipulated in this Policy Wording

and provide all the additional information related to and in substantiation of the loss or damage that we request from you if any incident occurs that might lead to a claim. Your failure to provide such information promptly when requested, could delay the processing and finalisation of your claim. If you fail to provide such information it could lead to the rejection of your claim. In the event of all Hire-out and Hire-in contracts, for example, it is in your own interest to keep a signed copy of each such contract for future reference.

Unless specifically agreed and stated otherwise in the Policy Schedule issued at the inception of the insurance period or as per endorsement, the Contractor's Plant and Machinery and Liability to Third Parties Annually Renewable Insurance Policy Wording applicable at the time that your Policy incepted or, if renewable, at the time it is renewed, as the case may be, shall apply to the consideration of the acceptance of any liability by the Company and the indemnification of any loss, damage, death or injury claimed for.

Only if your name has been entered as the Insured in the Policy Schedule and you are responsible for payment of the premium, may you request that we vary, delete or add items to the Policy Schedule during the Policy period. No such variations shall be effected unless we have received the details of your request in writing, we have formally accepted your request and we have issued an endorsement to the Policy Schedule to reflect our acceptance of any such variations. The nature and extent of such variations might prompt us to do risk inspections and/or require additional underwriting information from you and could lead to a change in the premium and/or first amounts payable, and/or additional exclusions, terms, conditions, limits or endorsements. If additional premium is payable, such premium must be received within 45 (forty five) days from the date that we have issued the endorsement otherwise any benefit to the Insured under such endorsement shall be null and void.

If you are not satisfied with our response to you on a particular issue, you are entitled to follow the relevant complaints procedure as per the disclosure notice in the Policy Schedule issued to you.

Financial Services Board Cautionary for the Hire-Out of Plant and Machinery

In terms of prevailing legislation, no person may carry on any kind of short-term insurance business unless that person is registered and is authorised to carry on the kind of short-term insurance business concerned under the Act.

It is accordingly an offence for a Hirer-Out of Plant or Machinery to charge insurance premium to, or recover insurance premium from the Hirer-In, unless such Hirer-Out of Plant or Machinery is duly registered and authorised under the Act.

The insurance premium forms part of the Hirer-Out's cost of doing business and it may be taken into account in pricing the total cost of doing business as a Hirer-Out of Plant or Machinery.

This does not prevent the Hirer-Out of Plant or Machinery from disclosing to its Hirer-In, the Hirer-Out's cost of insuring the Plant or Machinery, as the case may be, separate from the hiring costs. However, the insurance premium cannot form a separate charge to the Hirer-In of Plant or Machinery.

General Definitions

1. Act of terrorism

This includes, without limitation:

a. the use of violence or force or the threat thereof whether as an act harmful to human life or not, by any person or group of persons, whether acting alone or on behalf of or in connection with any organisation or government or any other person or body of persons, committed for political, religious, personal or ideological reasons or purposes including any act committed with the intention to influence any government or for the purpose of inspiring fear in the public or any section thereof.

b. any act, or preparation in respect of action, or threat of action designed to influence the government de jure or de facto of any nation or any political division thereof, or in pursuit of political, religious, ideological, or similar purposes to intimidate the public or a section of the public of any nation by any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s) de jure or de facto, and which:

   i. involves violence against one or more persons; or

   ii. involves damage to property; or

   iii. endangers life other than that of the person committing the action; or

   iv. creates a risk to health or safety of the public or a section of the public; or

   v. is designed to interfere with or to disrupt an electronic system.

   Neither war nor act of terrorism shall be construed to apply to loss or damage occasioned by riots, strikes, locked-out workers, vandalism, malicious damage, civil commotion not assuming the proportions of or amounting to a popular rising.

2. Insurance policy

The contract between the Company and the Insured. The following documents and information form part of the insurance policy and must be read together as one document:

a. The underwriting information the Insured provided and is obliged to disclose to the Company as defined in the chapter headed "Important Introduction – Our Contract of Insurance with You, and Your Duties".

b. Policy Schedule/Schedule: This document stipulates the Policy number, the type of insurance the Insured has purchased, the persons who are insured, the period of insurance, the amounts the Insured are insured for (Sums Insured and limits of indemnity), basis of sum insured, the First amount payable and the premium that the Insured must pay. Any future variations and endorsements to the Policy will be shown in the Policy Schedule stating such changes and will form part of the Policy. At any point in time, this will be the most recent Schedule the Company has issued.

c. Policy Wording: This document consists of the important introduction, general definitions, conditions, extensions, memoranda, exclusions; and defined events, extensions, exclusions, basis of loss settlement, conditions, provisions and limits of indemnity where applicable and specific to each Section of the Policy.

d. Refer to your Policy Schedule for the Sections that apply to your Policy.

3. Consequential loss

Any additional loss or damage that happens as a result of direct loss or damage to the insured property.

4. Material information

The matters that a reasonable person would consider the Insured should have given to the Company so that it could assess the insured risk.

5. Market Value

The estimated amount for which property should exchange in the local South African market on the date of valuation immediately prior to the:

- commencement or renewal for any subsequent period or extension of the Policy or
- loss or damage (for claims purposes)

between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion.

The Market Value (MV) is elected and presented by the Insured to the Company prior to the commencement or renewal for any subsequent period or extension of the Policy in writing and stated in the most recent Schedule as the Sum Insured and the Basis of Sum Insured.

The Sum Insured shown against each item listed in the most recent Schedule shall include freight, customs dues, taxes and installation costs for the applicable location of such item.

The default basis of sum insured/indemnity of the Policy is Market Value unless otherwise stated.

6. New Replacement Value (if stated against an item in the Schedule)

For brand new Plant and Machinery, the item may be insured on a New Replacement Value (NRV) basis of indemnification, **provided that**:

i. the Plant and Machinery item is bought new first by the Insured since original manufacture and not older than 12 (twelve) months from first registration as determined at the commencement or renewal for any subsequent period or extension of the Policy, depending on type and usage;

ii. the NRV basis of indemnification is applicable to items insured under Section I only;

iii. the Plant and Machinery item is not used underground, unless otherwise agreed to by endorsement;

iv. the Sum Insured shown against each item listed in the most recent Schedule shall be equivalent to the current NRV (including freight, customs dues, taxes and installation costs for the applicable location) of such item;

v. the NRV is elected and presented by the Insured to the Company prior to the commencement or renewal for any subsequent period or extension of the Policy in writing and stated in the most recent Schedule as the Sum Insured and the Basis of Sum Insured.

The default basis of indemnification for pre-owned Plant and Machinery; and Plant and Machinery older than 12 (twelve) months from first registration as determined at the date of loss or damage is **Market Value**,

otherwise subject to the terms, conditions, exclusions, extensions, provisions and memoranda contained in the Policy or endorsed thereon.

7. Declared Value (if stated against an item in the Schedule)

A Plant and Machinery item (e.g. vintage, classic, older than 15 years since original manufacture, rebuilt, modified, non-standard, no longer produced or not actively-traded items) may be insured at a fixed Sum Insured which is only allowed for Plant and Machinery without a Market Value, **provided** that the Declared Value is:

i. applicable to items insured under Section I only;

ii. substantiated by and supplemented with a valid **Valuation document**;

iii. elected and presented by the Insured to the Company prior to the commencement or renewal for any subsequent period or extension of the Policy in writing and stated in the most recent Schedule as the Sum Insured and the Basis of Sum Insured.

In respect of items where a **Valuation document** is not valid the default basis of indemnification is **Market Value** and the maximum indemnity the Company shall pay is 40% (forty percent) of the Sum Insured as stated against an item in the Schedule,

otherwise subject to the terms, conditions, exclusions, extensions, provisions and memoranda contained in the Policy or endorsed thereon.

8. Valuation document

A document for determining and proving the estimated fair value of an insured/uninsured Plant and Machinery item as declaration for insurance purposes. The document is established by the Insured from a professional valuator (Original Equipment Manufacturer, Plant & Equipment specialist or a suitably qualified vendor) or derived from a detailed, current and accurate cost breakdown of the Plant and Machinery item. The document shall, where applicable, include information on the make, model, serial number, year of manufacture, hours of operation, description, major parts/components, condition, road/mechanical/operational/safety worthiness and supported by photographic, purchase, cost, service, maintenance, repair, accessory, attachment, modification, etc. records to substantiate the valuation. The value so determined must be inclusive of freight, customs dues, taxes and installation costs for the applicable location of such item.

The document qualifies as a valid Valuation document only if:

i. the age of the document, as determined at the time of commencement or renewal for any subsequent period or extension of the Policy, is not older than 3 (three) years from the date the document was issued; and

ii. the document is provided by the Insured to the Company prior to the commencement or renewal for any subsequent period or extension of the Policy,

unless otherwise agreed to by endorsement.

9. Recovery costs

The costs and expenses reasonably and necessarily incurred to recover the insured Plant and Machinery following indemnifiable damage at the site of the event and to remove it to the repair premises and back to the work site, limited to 25% (twenty five percent) of the Sum Insured of the damaged insured item up to a maximum amount of R250,000 any one loss. This limit of indemnity shall apply separately to each item affected by the damage.

10. Recklessness

Either:

a. the failure by the Insured or his employee(s) to take measures to avert accidents or losses in circumstances where the Insured or his employee(s) recognise(s) but is/are indifferent to the need to take such measures;

OR

b. the taking by the Insured or his employee(s) of measures to avert accidents or losses which the Insured or his employee(s) know(s) is/are inadequate for that purpose, or about the adequacy of which the Insured or his employee(s) is/are indifferent.

11. First amount payable

The first amount that the Insured must contribute towards each claim as stated in the Schedule or elsewhere in the Policy before the Company settles a claim.

12. Exclusions

An event, item, loss or damage that is not insured.

13. Occurrence

An event or series of events arising out of and directly occasioned by one and the same cause in connection with any one insured item insured under Section I of this Policy and in respect of which indemnity is provided under any Section of this Policy and shall be limited to a duration of 72 (seventy two) consecutive hours.

14. Legal liability

Responsible in law.

15. Plant and Machinery

The term Plant and Machinery includes but is not limited to:

a. Special type vehicles;

b. Mobile Contractors Plant: this includes specialised access equipment; mobile elevating work platforms; mobile cranes; tower crane moving on a railway track; trailer mounted articulated boom lifts; bulldozers; water and dump trucks; concrete dumpers; concrete mixers; concrete saws; concrete screed beams; concrete trowels/power floats; concrete vibrators; drill rigs; graders; loaders; mobile crushers and screening equipment; railway construction/maintenance equipment; all of which are mobile and powered by means of fuel, gas, electricity or storage battery;

c. Mobile Contractors Machinery: generally a static tool or equipment, often motorised to perform an intended action at the construction site (e.g. compressor; generator; general purpose pumps; hoist; jacks; concrete batching plant; etc);

d. Attachments/Ancillary equipment normally and interchangeably used with the insured plant item (e.g. buckets; scoops; blades; pneumatic heads; etc). The value of all attachments/ ancillary equipment must be included in the plant item Sum Insured or insured as a separate item;

e. Mobile Site accommodation; caravans and trailers (i.e. any vehicle without means of self-propulsion designed to be drawn by a self-propelled vehicle, but excluding any parts or accessories not permanently fitted thereto),

moving on wheels, crawler tracks or static; self-propelled or hand controlled, and primarily designed to perform operations related to construction and/or erection on project sites and as more specifically described in the Policy Schedule.

16. Special types vehicles

A generic term used to describe vehicles or mobile plant designed for specialised or dedicated purposes (e.g. crane; grader; forklift; etc). They may be insured under motor, engineering or public liability policies. “Tool of trade” risk is covered when they are used on site.

17. Tool of trade risk

Risk arising out of the use of a special type vehicle such as a mobile digger, as a tool of trade (i.e. used for its intended function for digging, lifting, etc). The risk is distinguished from the road risk necessitating motor insurance. Tool of trade risks are of a third party in nature (e.g. liability for damage to underground cables, and insurable under commercial motor, public liability or engineering insurances).

18. Drive

To operate and control the use, direction and speed of a Plant and Machinery as a tool.

19. Hire

Obtain the use of Plant and Machinery from somebody for a period of time in return for payment.

20. Owned Plant and Machinery

Plant and Machinery owned by the Insured as more specifically described in the Schedule.

21. Hired-in Plant and Machinery

Plant and Machinery hired-in by the Insured under the terms of a written or verbal **Hiring Agreement**, excluding Plant and Machinery leased or hired to the Insured under a lease or suspensive sale agreement or on free loan to the Insured, or as more specifically described in the Schedule.

22. Hired-out Plant and Machinery

Plant and Machinery hired out by the Insured under a written or verbal **Hiring Agreement** including Plant and Machinery on free loan by the Insured or as more specifically described in the Schedule.

23. Hiring agreement

A legal contract allowing somebody exclusive possession and use of another's property for a specific purpose and time, in return for a specific payment.

24. Employee

Any person who is employed by or works for an employer and who receives or is entitled to receive any remuneration or who works under the direction or supervision of an employer or any other person.

25. Employer

Any person who employs or provides work for any person and remunerates that person or expressly or tacitly undertakes to remunerate him, excluding labour brokers and independent contractors.

26. Member of the same household

For a person to be a member of a household at least two fundamental elements have to co-exist, viz.

a. there has to be some relationship, affinity, or tie between him and the other members of the household, such as a family tie, at the time of the event; and

b. the person has to 'occupy' or 'live' or 'dwell' in the household premises, which imports some degree of continuous or permanent residence there, at the time of the event.

27. On loan/being borrowed/free loan

Obtain something belonging to someone else with their consent subject to an agreement to return it, fair wear and tear accepted, without having to pay any compensation for the possession and use of such thing.

28. Airside

The term Airside shall mean any area of the airport premises that has restricted right of access, such as runways, taxiways, apron and associated service roads plus certain parts of the terminals and other buildings located around the airport's premises (as defined by the relevant airport authority).

General Conditions

1. The Company

Bryte Insurance Company Limited, an authorised financial services provider.

2. Territorial limits

The Republic of South Africa and to the extent permitted by the relevant insurance acts, Namibia, Lesotho, Eswatini, Botswana, Zimbabwe and Malawi.

In respect of Section III : Liability to Third Parties cover is limited to the Republic of South Africa.

Always subject to the Sanctions Clause.

3. Sanctions clause

Notwithstanding any other terms under this agreement, no Insurer shall be deemed to provide coverage or will make any payments or provide any service or benefit to any Insured or other party to the extent that such cover, payment, service, benefit and/or any business or activity of the Insured would violate any applicable trade or economic sanctions law or regulation.

4. Loss adjusters and specialists investigators

a. All Loss Adjusters and Specialists Investigators shall be approved and appointed by the Company.

b. All travel costs to and from the destination country/countries and accommodation costs shall be for the account of the Company.

5. Jurisdiction

The laws of the Republic of South Africa shall apply to this Policy. The parties agree to submit to the exclusive jurisdiction of the South African courts.

6. Breach of the terms and conditions of this Policy

a. The due observance and fulfillment by the Insured of the terms, conditions, provisions and endorsements of this Policy insofar as they relate to anything to be done or complied with by the Insured, shall be conditions precedent to any liability on the part of the Company to make any payment under this Policy.

b. The terms and conditions of this Policy shall apply individually to each of the risks insured and not collectively to them, so that any breach or non-fulfillment thereof as the case might be shall, in the event of the Company being entitled to repudiate a claim, relate to that claim only and, in the event of the Company being entitled to avoid, relate to and render void the Section only in respect of the risk to which the breach or non-fulfillment applies.

7. Misrepresentation and non-disclosure

a. The Insured must, before or at the time of contracting, renewing, reinstating, or of the making of any material alteration or addition to the cover at the request of the Insured, disclose to the Company all facts known to the Insured, which are material to the Company's decision as to whether to insure the Insured, or to renew or reinstate the Policy, or to accede to the Insured's request to alter or add to the cover.

b. Misrepresentation or non-disclosure of any such material fact shall render voidable the Policy or the particular item, section or sub-section of the Policy, as the case may be, affected by such misrepresentation or non-disclosure.

8. Prevention of loss

The Insured shall take all reasonable steps and precautions to prevent accidents, injury, disease, death, loss or damage. The Company shall not be liable to indemnify the Insured where the event insured against was the result of Recklessness on the part of the Insured or its employees.

9. Purpose of use

It is a condition precedent to liability under this insurance, that the insured Plant and Machinery is used only for the purpose for which it has been designed.

10. Fraud

If any claim under this policy be in any respect fraudulent, or if any fraudulent means or devises be used by the Insured or anyone acting on his behalf to obtain any benefit under this Policy, or if any accident, loss, destruction, damage or liability be occasioned by the wilful act or with the connivance of the Insured, all benefits under the claim shall be forfeited and the policy will be cancelled.

11. Claims and time limits

a. On the happening of any event which may result in a claim under this Policy the Insured shall, at their own expense:

   i. give notice thereof to the Company as soon as reasonably possible and provide particulars of any other insurance covering the event.

   ii. as soon as practicable after the event inform the police of any claim involving theft or (if required by the Company) loss of property, and take all practicable steps to discover the guilty party and to recover the stolen or lost property.

   iii. as soon as practicable after the event submit to the Company full details in writing of any claim.

   iv. give the Company such information, including proof of the event and of the loss including the amount thereof (and sworn declarations should the Company require it) as the Company may require, and forward to the Company immediately any notice of claim or any communication, summons, or other legal process issued or commenced against the Insured in connection with the event giving rise to the claim.

b. No claim shall be payable after the expiry of 24 (twenty four) months (or such further time as the Company may allow) from the happening of any event, unless the claim is the subject of pending legal action or is a claim in respect of the Insured's legal liability to a third party.

c. No claim shall be payable unless the Insured claims payment by serving legal process on the Company within 12 (twelve) months of the rejection of the claim in writing and pursues such proceedings to finality.

d. i. If, after the payment of a claim in terms of this Policy in respect of lost or stolen property, the property in question or any part thereof is located, the Insured shall render all assistance in the identification and physical recovery of such property if called upon to do so by the Company (provided that the Insured's reasonable expenses in rendering such assistance shall be reimbursed by the Company).

   ii. Should the Insured fail to render assistance when called upon to do so, the Insured shall become immediately liable to repay to the Company all amounts paid in respect of the claim.

12. Company's rights after an event

a. On the happening of any event in respect of which a claim is or may be made under this Policy, the Company and every person authorised by them may, without thereby incurring any liability and without diminishing the right of the Company to rely upon any conditions of this Policy

   i. take, enter or keep possession of any damaged property and deal with it any reasonable manner. This condition shall be evidence of the leave and licence of the Insured to the Company to do

so. The Insured shall not be entitled to abandon any property to the Company whether taken possession of by the Company or not.

ii. take over and conduct in the name of the Insured the defence or settlement of any claim and prosecute in the name of the Insured for their own benefit any claim for indemnity or damages or otherwise and shall have full discretion in the conduct of any proceedings and in the settlement of any claim. No admission statement, offer, promise, payment or indemnity shall be made by the Insured without the written consent of the Company.

b. The Insured shall, at the expense of the Company, do and permit to be done all such things as may be necessary, or as may be reasonably required by the Company, for the purpose of enforcing any rights to which the Company shall be, or would become, subrogated upon indemnification of the Insured, whether such things shall be required before or after such indemnification.

c. In respect of any Section of this Policy under which an indemnity is provided for liability to third parties, the Company may, upon the happening of any event, pay to the Insured the limit of indemnity provided in respect of such event, or such lesser sum for which the claim or claims arising from such event can be settled, and the Company shall thereafter not be under any further liability in respect of such event.

13. No rights to other persons

a. Unless otherwise provided, nothing in this Policy shall give any rights to any person other than the Insured.

b. Any extension providing indemnity to any person other than the Insured shall not give such person any right to claim from the Company. Any claim by such person must be made through the Insured.

c. In the case of any extension providing indemnity to any person other than the Insured, receipt by the Insured shall in every case be a full discharge to the Company.

14. Other insurance

The Company shall not be liable for any loss, damage or liability which at the time of the happening of such loss, damage or liability is insured by or would but for the existence of this Policy be insured by any other policy or policies except in respect of any excess beyond the amount which would have been payable under the policy or policies had this insurance not been effected.

15. Cancellation

a. This Policy or any Section thereof may be cancelled at any time by the Company giving 31 (thirty-one) days' notice in writing, or by the Insured giving immediate notice (either the Company or the Insured may give such other period of notice as might be mutually agreed upon).

b. On cancellation by the Insured, the Company shall be entitled to retain the premium for the period the Policy or Section was in force, subject to any premium adjustment clause.

c. On cancellation by the Company, the Insured shall be entitled to claim a pro-rata proportion of the premium for the remainder of the period of insurance from the date of cancellation, subject to any premium adjustment clause.

16. Adjustment of premium

If the premium for any Section of this Policy has been calculated on any estimated figures, the Insured shall, as soon as possible after the expiry of each period of insurance, furnish the Company with such particulars and information as the Company may require for the purpose of recalculation of the premium for such period. Any difference shall be paid by or to the Insured as the case may be as follows:

i. If the estimated figure is less than the actual figure, the Insured shall pay the difference in premium at the agreed premium rates applied at the applicable policy period.

ii. If the estimated figure is greater than the actual figure, the premium shall be appropriately adjusted to the Company retaining a minimum of 75% (seventy five percent) of the estimate premium, but subject to a 100% (one hundred percent) retention where the estimate premium is R10,000 or less.

17. Payment of premiums and continuation of cover

The premium is due in advance and, if it is not received by the Company by due date, this Policy shall be deemed to have been cancelled at midnight on the last day of the preceding period of insurance unless the Insured can show that the failure to make payment was due to error on the part of his bank or other paying agent. The due date will be the first day of:

a. every calendar month, where the premium is payable monthly; or

b. each third calendar month following inception of the most recent policy period, where the premium is payable quarterly; or

c. each sixth calendar month following inception of the most recent policy period, where the premium is payable half-yearly; or

d. each twelfth calendar month following inception of the most recent policy period, where the premium is payable annually.

18. Reinstatement of cover after loss

In consideration of Sums Insured not being reduced where appropriate by the amount of any loss, the Insured shall pay additional premium on the amount of the loss from the date thereof or from the date of reinstatement or replacement (whichever is the later), to expiry of the period of insurance.

19. Company's right to be furnished with contracts documentation

The Insured is obliged to furnish to the Company copies of all contracts entered into by the Insured which might lead to indemnifiable loss under this Policy, within a reasonable period of the date of the Insured's entering into such contracts.

20. Company's right of suspension of insurance

If any insured Plant and Machinery should be discovered by the Company to be in a condition, or if the Company should discover that the Insured has adopted working methods or has not adopted sufficient risk controls, which in the opinion of the Company worsens the risk, then and in that event the Company reserves the right to suspend the insurance in respect of such insured Plant and Machinery or the risk affected by the working methods or risk controls, by written notice to the Insured.

21. Collective insurances

If this insurance is a collective insurance, with more than one Insurer, then:

a. All reference in clauses 7, 11, 12, 15, 16 and 19 to "the Company" shall be regarded as reference to "the leading Insurer".

b. All other reference in the clauses above to "the Company" shall be regarded as reference to "the Insurers".

22. VAT

Indemnity provided under all Sections of this Policy includes the Insured's liability in terms of the VAT Act, as amended from time to time.

23. Schedule Sums Insured blank

If, in a Schedule of this Policy the Sum Insured, limit of indemnity/liability or compensation is

a. left blank or has no monetary amount stipulated against it;

b. reflected as nil or not applicable or not covered or no indemnity extended;

this means such defined event, item or circumstance shown in the Schedule is not insured by the Policy.

24. No claim bonus (if stated in the Schedule)

Should there be no amounts payable by the Insurers in respect of claims on the Plant and Machinery insured during the first year and subsequent years of insurance then the renewal premium as calculated

for the Sums Insured for the renewal period of insurance will be discounted in the following manner until a maximum discount of 35% (thirty five percent) is reached.

Year One	The full premium applies
Year Two	The full premium less 15% of the full premium applies
Year Three	The full premium less 20% of the full premium applies
Year Four	The full premium less 25% of the full premium applies
Year Five	The full premium less 30% of the full premium applies
Year Six	The full premium less 35% of the full premium applies

This extension shall apply collectively to insured Plant and Machinery as described in the Schedule and not to individual items.

Should additional items be added to the Policy after inception of the Policy then the same scale of discounts to the premium will apply from year one in respect of such additional items.

Should any amounts be payable by the Company at any time then the premiums at the following renewal will revert to year one.

25. Arbitration

Should any difference arise between the Company and the Insured as to the amount of any claim under this Policy the same shall be referred to Arbitration in accordance with the Statutory Provisions in force applicable thereto and the obtaining of any award shall be a condition precedent to any right of action against the Company.

26. Subrogation

The Company shall be entitled if it so desires to prosecute in the name of the Insured for its own benefit any claim for indemnity or otherwise against any third party and shall have full discretion in the conduct of any proceedings or settlement of any such claim and the Insured shall wherever possible give all such information and assistance as the Company may require.

27. Payments on account

In respect of any Section where amounts recoverable from the Company are delayed pending finalisation of any claim, payments on account may be made to the Insured, if required, at the discretion of the Company.

28. Conflict

If there is any conflict or discrepancy between the terms, conditions, extensions, memoranda, exclusions, endorsements and provisions of this Policy and those of any underlying **Hiring Agreement**, then the Policy terms, conditions, extensions, memoranda, exclusions, endorsements and provisions shall prevail.

29. Headnotes

Headnotes are for reference and do not affect the interpretation of the Policy.

30. Amendment of policy terms and conditions

The Company may, at its discretion and on providing you with a 31-day written notice to your Business's nominated email address, make changes to the terms and conditions of this Policy, as and when it deems necessary.

31. Protection of Personal Information

We respect your constitutional right to privacy. We are committed to and bound by the terms and provisions of the Protection of Personal Information Act 4 of 2013 ("POPI") regarding the acquisition, usage, retention, transmission and deletion of your personal information. We will check and validate the information you provide through legal means. We have high level security measures in place to protect your personal information. Your personal information herein collected is for the primary purpose of providing you with insurance cover and for all other activities and processes incidental to and relevant to this purpose. Your information shall be kept confidential, however, we shall disclose it to certain third parties as required and other insurers for the specific purpose of insurance and to reduce and prevent any form of fraudulent activity. Sharing of information includes, but is not limited to, information sharing as arranged via the South African Insurance Association. You hereby give consent and fully understand the reason for Bryte to process, use, share and retain your personal information for its designated purpose and you confirm the accuracy of the information. You may request Bryte to amend, update, change or correct your personal information processed by us by sending a request to your broker or your nearest Bryte offices.

For a full version of the Consent to process Personal Information is available on this link for download (http://www.brytesa.com /forms/personal-information/)

Should you decide to cancel this insurance contract you further consent to Bryte retaining the information in line with the legally permitted retention period, for statistical and reporting purposes only. Should you decide not to accept the proposal, the information collected, will be de-identified and only used for statistical and research purposes.

General Extensions

1. Claims preparation costs

The Policy is extended to provide indemnity for costs and expenses necessarily and reasonably incurred in producing and certifying any particulars or details required by the Company in connection with an indemnifiable event but limited to:

a. Additional costs incurred by the Insured's employees.

b. Additional fees incurred by the Insured's usual auditors.

c. Costs of materials used in furnishing the Company's requirements.

d. R2,000 or 10% (ten percent) of the claim up to a maximum of R20,000.

2. Professional fees

The Policy is extended to provide indemnity for professional fees necessarily and reasonably incurred in the reinstatement or replacement of Plant and Machinery following indemnifiable loss or damage provided that the total amount payable in respect of such fees does not exceed 15% (fifteen percent) of the total amount of the claim but shall not include expenses incurred in connection with the preparation of the Insured's claim.

3. Clearance costs

The Policy is extended to provide indemnity for costs necessarily and reasonably incurred by the Insured in respect of demolition or dismantling of Plant and Machinery and/or removal of debris and in providing/erecting/maintaining hoardings required during demolition, dismantling, debris removal and reconstruction following indemnifiable loss or damage to such Plant and Machinery including any costs arising from the activities of any Public Authority in dealing with the consequences of an insured peril having operated provided that the total amount recoverable does not exceed 15% (fifteen percent) or R150,000 of the total amount of the claim.

4. Express delivery and overtime

The Policy is extended to provide indemnity for extra charges for express delivery airfreight overtime Sunday and holiday rates of wages are payable in respect of the necessary and reasonable additional costs incurred by the Insured for effecting repairs or replacement by the Company limited to 50% (fifty percent) of the amount which the repair or replacement would have cost had these additional costs not been incurred.

General Memoranda

1. a. Any memoranda endorsement extension or warranty added or attached to any Section of this Policy will be subject to the conditions, exclusions and provisions of the Policy.

   b. Section specific conditions, extensions, exclusions, memoranda and provisions shall override General conditions, extensions, exclusions, memoranda and provisions.

2. The indemnity

   a. In the event of indemnity being granted the amount(s) claimable in terms of the Policy shall not exceed the limit(s) specified in the Schedule in respect of any one occurrence.

   b. The default basis of sum insured/indemnity of the Policy is Market Value unless otherwise stated.

3. The insurance granted under Section I, II and III of the Policy shall not be applicable to vehicles used in non-construction site operations or general road transportation other than dump trucks, water carriers, mobile cranes and other similar site vehicles owned, hired or leased by the Insured unless agreed to by endorsement.

General Exclusions

1. War, riot and terrorism

a. This Policy does not cover loss of or damage to property related to or caused by

i. civil commotion, labour disturbances, riot, strike, lockout or public disorder or any act or activity which is calculated or directed to bring about any of the aforegoing.

ii. war, invasion, act of foreign enemy, hostilities or warlike operations (whether war be declared or not) or civil war.

iii. 1. mutiny, military rising, military or usurped power, martial law or state of siege, or any other event or cause which determines the proclamation or maintenance of martial law or state of siege or

2. insurrection, rebellion or revolution.

iv. any act (whether on behalf of any organisation, body or person or group of persons) calculated or directed to overthrow or influence any State or Government or any provincial, local or tribal authority with force or by means of fear, terrorism or violence.

v. any act which is calculated or directed to bring about loss or damage in order to further any political aim, objective or cause, or to bring about any social or economic change, or in protest against any State or Government or any provincial, local or tribal authority, or for the purpose of inspiring fear in the public or any section thereof.

vi. any attempt to perform any act referred to in clause (iv) or (v) above.

vii. the act of any lawfully established authority in controlling, preventing, suppressing or in any other way dealing with any occurrence referred to in clause 1(a) (i), (ii), (iii), (iv), (v) or (vi) above.

If the Company alleges that, by reason of clause 1(a) (i), (ii), (iii), (iv), (v), (vi) or (vii) of this General Exclusion, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

b. This Policy does not cover loss or damage caused directly or indirectly by or through or in consequence of any occurrence for which a fund has been established in terms of the War Damage Insurance and Compensation Act, 1976 (No. 85 of 1976) or any similar Act operative in any of the territories to which this Policy applies.

c. Notwithstanding any provision of this Policy including any extension, exclusion or other provision not included herein which would otherwise override a General Exclusion, this Policy does not cover loss of or damage to property or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, or arising out of or in connection with any **Act of Terrorism** regardless of any other cause or event contributing concurrently or in any sequence to the loss, damage or expense. Additionally, this Policy also excludes all Contingent Business Interruption losses caused by any **Act of Terrorism**. If the Company alleges that, by reason of clause 1(c) of this General Exclusion, loss or damage is not covered by this Policy, the burden of proving the contrary shall rest on the Insured.

2. Nuclear

This Policy does not cover any legal liability, loss, damage, cost, expense, death or bodily injury whatsoever or any consequential loss directly or indirectly caused by or contributed to by or arising from:

a. ionising, radiations or contamination by radio-activity from any nuclear fuel or from any nuclear waste from the combustion or use of nuclear fuel;

b. nuclear material, nuclear fission or fusion, nuclear radiation;

c. nuclear explosives or any nuclear weapon;

d. nuclear waste in whatever form;

regardless of any other cause or event contributing concurrently or in any other sequence to the loss. For the purposes of this exclusion only, combustion shall include any self-sustaining process of nuclear fission.

3. Asbestos

Notwithstanding any provision of this Policy including any extension or exclusion or other provision which would otherwise override a General Exclusion, this Policy does not cover any legal liability, loss, damage, cost or expense whatsoever or any consequential loss directly or indirectly caused by, arising out of, resulting from, in consequence of, in any way involving, or to the extent contributed to by, the hazardous nature of asbestos in whatever form or quantity.

4. Computer losses

General Exclusion applicable to all Sections of this Policy insuring damage to property or the consequences of damage to property or any liability.

Notwithstanding any provision of this Policy including any extension or exclusion or other provision not included herein which would otherwise override a General Exclusion, this Policy does not cover:

a. loss or destruction of or damage to any property whatsoever (including a computer) or any loss or whatsoever resulting or arising therefrom;

b. any legal liability of whatsoever nature;

c. any consequential loss;

directly or indirectly caused by or contributed to by or consisting of or arising from the incapacity or failure of any computer, correctly or at all

i. to treat any date as the correct date or true calendar date, or correctly or appropriately to recognise, manipulate, interpret, process, store, receive or to respond to any data or information, or to carry out any command or instruction, in regard to or in connection with any such date, or

ii. to capture, save, retain or to process any information or code as a result of the operation of any command which has been programmed into any computer, being a command which causes the loss of data or the inability to capture, save, retain or correctly to process such data in regard to or in connection with any such data, or

iii. to capture, save, retain or to process any information or code due to programme errors, incorrect entry or the inadvertent cancellation or corruption of data and/or programme, or

iv. to capture, save, retain or to process any data as a result of the action of any computer virus, or other corrupting, harmful or otherwise unauthorised code or instruction including any Trojan horse, time or logic bomb or worm or any other destructive or disruptive code, media or programme or interference.

A computer includes any computer, data processing equipment, microchip, integrated circuit or similar device in computer or non-computer equipment or any computer software, tools, operating system or any computer hardware or peripherals and the information or data electronically or otherwise stored in or on any of the above, whether the property of the Insured or not.

Special extension to General Exclusion 4

a. Loss or destruction of or damage to the insured property by fire, explosion, lightning, earthquake or by the special perils referred to below is not excluded by this General Exclusion.

The special perils that are not excluded for the purpose of this special extension are damage caused by:

i. storm, wind, water, hail or snow excluding damage to property

1. arising from its undergoing any process necessarily involving the use or application of water.
2. caused by tidal wave originating from earthquake or volcanic eruption.
3. In the underground workings of any mine.
4. in the open (other than buildings, structures and plant designed to exist or operate in the open).
5. in any structure not completely roofed.
6. being retaining walls.

} Unless so described and specifically insured as a separate item

ii. aircraft and other aerial devices or articles dropped therefrom.

iii. Impact by animals, trees, aerials, satellite dishes or vehicles excluding damage to such animals, trees, aerials, satellite dishes or vehicles or property in or on such vehicles. These special perils do not cover wear and tear or gradual deterioration.

b. General Exclusion 4 also does not apply to consequential loss as insured by any Business Interruption indemnity provided by this Policy to the extent that such consequential loss result from damage to insured property by the perils referred to in special extension (a) above.

c. This Special extension will not insure any loss, destruction, damage or consequential loss if it would not have been insured in the absence of Computer Losses General Exclusion 4 and this Special extension.

d. This Special extension shall not apply to any indemnity afforded to Liability to Third Parties.

5. Communicable Disease Exclusion

1. Notwithstanding any other provision of this policy to the contrary, this policy does not insure any loss, damage, claim, cost, expense or other sum directly or indirectly arising out of, attributable to, resulting from, originating from, occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease.

2. For the purposes of this exclusion, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

2.1 for a Communicable Disease, or

2.2 any property insured hereunder that is affected by such Communicable Disease.

3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

3.1 the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation thereof, whether deemed living or not, and

3.2 the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

3.3 the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property insured hereunder.

4. This exclusion applies to all coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).
5. All other terms, conditions and exclusions of the policy remain the same. If the Insurer alleges that by reason of this exclusion, any loss, damage or liability is not covered by this Policy the burden of proving the contrary rests on the Insured.

6. Property Cyber and Data Exclusion

1. Notwithstanding any provision to the contrary within this Policy or any endorsement thereto this Policy excludes any:

   1.1 Cyber Loss;

   1.2 loss, damage, liability, claim, cost, expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any loss of use, reduction in functionality, repair, replacement, restoration or reproduction of any Data, including any amount pertaining to the value of such Data;

   regardless of any other cause or event contributing concurrently or in any other sequence thereto.
2. In the event any portion of this exclusion is found to be invalid or unenforceable, the remainder shall remain in full force and effect.
3. This exclusion supersedes and, if in conflict with any other wording in the Policy or any endorsement thereto having a bearing on Cyber Loss or Data, replaces that wording.

Definitions

4. Cyber Loss means any loss, damage, liability, claim, cost or expense of whatsoever nature directly or indirectly caused by, contributed to by, resulting from, arising out of or in connection with any Cyber Act or Cyber Incident including, but not limited to, any action taken in controlling, preventing, suppressing or remediating any Cyber Act or Cyber Incident.
5. Cyber Act means an unauthorised, malicious or criminal act or series of related unauthorised, malicious or criminal acts, regardless of time and place, or the threat or hoax thereof involving access to, processing of, use of or operation of any Computer System.
6. Cyber Incident means:

   6.1 any error or omission or series of related errors or omissions involving access to, processing of, use of or operation of any Computer System; or

   6.2 any partial or total unavailability or failure or series of related partial or total unavailability or failures to access, process, use or operate any Computer System.
7. Computer System means:

   7.1 any computer, hardware, software, communications system, electronic device (including, but not limited to, smart phone, laptop, tablet, wearable device), server, cloud or microcontroller including any similar system or any configuration of the aforementioned and including any associated input, output, data storage device, networking equipment or back up facility, owned or operated by the Insured or any other party.
8. Data means information, facts, concepts, code or any other information of any kind that is recorded or transmitted in a form to be used, accessed, processed, transmitted or stored by a Computer System.

Section I: Material Damage – Own Plant (own use or hire out)

Defined Events

Sudden accidental physical loss of or damage to the insured Plant and Machinery as specified in the Schedule from any cause not hereinafter excluded necessitating its repair, reinstatement or replacement, occurring at or about the Insured's premises, any contract site or movement between the Insured's premises and contract site whether under its own power or being transported by road within the Territorial limits and being Plant and Machinery items owned by the Insured for own use or hired out.

Provided that:

1. The Insured shall be responsible for the First amount payable stated in the Schedule in respect of each and every defined event.
2. The liability of the Company for all loss or damage arising from any one defined event shall not exceed the Sum Insured stated in the Schedule for any one occurrence.

Extensions

Credit shortfall extension (if stated in the Schedule)

If any total loss settlement under Section I is less than the amount owing to the financier under a current lease or suspensive sale agreement, the Company will pay the Insured an additional amount equal to the shortfall

Less

1. any arrears instalments or rentals including interest payable on such arrears.
2. the First amount payable under Section I.

   Provided always that:

   a. the amounts payable shall not exceed the maximum indemnity less the First amount payable under Section I.

   b. this endorsement shall not apply to an agreement whereby the amount of any single instalment other than the final residual amount after the initial payment differs by more than 10% (ten percent) from any other instalment.

   c. if such shortfall is as a result of a re-advance under an instalment sale agreement or refinancing in terms of a lease agreement, the insurance by this extension shall be void.

Currency fluctuation extension

If owing to Currency Fluctuation between the South African domestic currency and the currency of the country of manufacture of the insured item, the value of the insured item has increased after the inception of the Policy period and within the 3 (three) month period immediately before the time of a total loss event of the insured item, then the Sum Insured of the insured item may be recalculated provided that such increased Sum Insured shall not exceed the Sum Insured plus 20% (twenty percent).

Temporary repairs extension

If without the consent of the Company temporary repairs are carried out by the Insured in the interests of safety or to minimise further loss or damage to the insured Plant and Machinery the cost of such temporary repairs will be borne by the Company. In the event that the temporary repairs aggravate the loss or cause additional loss or damage to the insured Plant and Machinery any additional costs so incurred or consequences arising therefrom will be for the account of the Insured.

Exclusions to Section I and II (A)

The Company shall not be liable to indemnify the Insured in respect of:

1. First amount payable

The Insured will be responsible for the first amount payable as stated in the Schedule in respect of each and every event arising out of any one occurrence during any one period of insurance.

In respect of Section I and II (A) if at any one location or premises more than one item of Plant and Machinery described in the Schedule suffers loss or damage in any one occurrence the first amount payable on the claim shall be the highest single excess applicable to such lost or damaged items.

An excess of 20% (twenty percent) of claim with a minimum of R15,000 will be applicable to all malicious damage claims and shall become the first amount payable by the Insured.

In the event of any theft/hijacking of the entire Plant and Machinery item, the first amount payable by the Insured shown in the Schedule under Section I and II (A) shall be doubled (percentage and monetary amounts) and become the first amount payable by the Insured under Section I and II (A). If the Plant and Machinery item is fitted with an approved tracking device and the tracking device is proven during the event to be fully operational and in proper working condition, and the theft/hijacking of the Plant and Machinery item took place within an area that is tracked by the tracking company, then the additional excess for theft/hijacking of the entire Plant and Machinery item will be waived.

2. Electrical/mechanical/electronic breakdown

Loss or damage caused by any initial and/or uninterrupted chain of events arising solely from electrical, mechanical or electronic breakdown, failure, breakage or derangement including freezing of coolant or other fluid, defective lubrication or lack of oil or coolant of insured Plant and Machinery.

Should

a. other extraneous loss or damage arise to insured Plant and Machinery as a result of such electrical/mechanical/electronic breakdown then such loss or damage is not excluded.

b. otherwise indemnifiable loss or damage give rise to electrical/mechanical/electronic breakdown then such breakdown is not excluded.

3. Overloading

Loss or damage to any item of Plant and Machinery caused by its undergoing any form of testing involving abnormal stresses or intentional overloading or overload caused by use for any purpose other than that for which the Plant and Machinery is designed, other than load testing undertaken in accordance with statutory and/or regulatory requirements.

4. Multiple lifts

Loss or damage arising out of any raising or lowering operations in which a single load is shared between items of lifting and handling plant, unless otherwise agreed to by endorsement.

5. Exchangeable or expandable parts

Loss or damage to insured Plant and Machinery comprising exchangeable or expendable units, parts, attachments and tools of limited life span such as but not limited to bits, strings, drills, blades, crushing surfaces, sieves, screens, cutting heads, ropes, cables, belts, batteries, tyres, hoses, flexible pipes or other components regularly replaced unless caused as a consequence of other indemnifiable loss or damage whereupon the Company will pay an amount representing the depreciated residual value of such excluded items.

6. Plant and Machinery underground

a. Loss or damage to Plant and Machinery whilst underground unless otherwise agreed to by endorsement.

b. Loss or damage to insured Plant and Machinery comprising bits, drills, strings whilst being used as a tool of trade for under surface drilling, raise or blind hole box boring machinery unless otherwise agreed to by endorsement.

7. **Wear and tear**

   The cost of rectifying or making good wear and tear, scratching of painted or polished surfaces, gradually developing defects, deformation, distortion, flaws, cracks or partial fractures caused by or naturally resulting from ordinary usage or working, but other indemnifiable loss or damage resulting therefrom is not excluded.

8. **Corrosion and erosion**

   The cost of rectifying or making good any form of corrosion, rust, oxidation, erosion or other atmospheric action caused by or naturally resulting from ordinary usage or working but other indemnifiable loss or damage resulting therefrom is not excluded.

9. **Inventory losses**

   Loss by disappearance or by shortage revealed only when a routine inventory is made or loss of property due to it being stolen or otherwise missing unless such loss is identifiable by the Insured with a specific event, which has been the subject of notification under General Condition 11: Claims and time limits, including reporting the matter to the police.

10. **Routine servicing**

    Loss or damage discovered during routine servicing unless associated with a specific event.

11. **Inadequate maintenance**

    Loss or damage to any item of Plant and Machinery caused by or arising from non-compliance by the Insured with the maintenance requirements specified by the manufacturer or supplier for that item.

12. **Addition, improvement or overhaul**

    The costs of any alteration, addition, improvement or overhaul carried out at the time of repair are not recoverable under this Policy. Should the repairs lead to betterment, the Insured shall carry an equitable proportion of the corresponding repair costs.

13. **Waterborne vessels, craft and aircraft**

    Loss or damage to any waterborne vessel, craft, aircraft or any plant and machinery thereon.

14. **Known faults or defects**

    Loss or damage arising from faults or defects in the insured Plant and Machinery known to the Insured or his responsible employees at the time this insurance was arranged or during the currency of the insurance and not disclosed to the Company, or any consequences thereof.

15. **Damages or penalties for delay or detention**

    Liquidated damages or penalties for delay or detention or in connection with guarantees of performance or efficiency.

16. **Detention and confiscation**

    Loss or damage arising from detention, confiscation, forfeiture, impounding, destruction or requisition legally carried out by Customs, SA Police Services, crime prevention units or any other Officials or Authorities.

17. **Consequential loss**

    Consequential loss, damage or liability of any nature whatsoever, loss of use or depreciation other than as specifically provided elsewhere within the Policy.

18. **Goods on the hook**

    Loss or damage to goods on the hook unless otherwise agreed to by endorsement.

19. Absconsion

a. Loss or damage to any item of Plant and Machinery due to absconsion of persons to whom the insured plant has been hired.

b. Loss, damage or liability arising out of any default by the hirer to the Insured, or if the hirer commits any breach or fails to observe or perform any provision of the terms and conditions of the hire agreement, or the hirer commits an act of insolvency or offers to assign his estate, or dies or ceases to carry on business.

20. Theft by false pretences

Loss or damage to any item of Plant and Machinery due to theft by false pretences by persons to whom the insured plant has been hired or any third parties.

21. Abandonment

Loss or damage due to abandonment of insured Plant and Machinery.

22. Operating media

Loss or damage to operating media unless as a consequence of indemnifiable loss or damage to the insured items.

Basis of Loss Settlement Section I and II (A)

1. Partial loss

If the insured Plant and Machinery suffers physical damage, and subject to the extent agreed by the Company, the basis of indemnification and the amount payable shall be the sum of:

a. Repair costs: the costs and expenses reasonably and necessarily incurred to restore the damaged Plant and Machinery to its working condition immediately before the occurrence of the damage;

Plus

b. Labour, freight and customs: the costs and expenses reasonably and necessarily incurred to dismantle and re-erect the damaged Plant and Machinery on the site of the event as well as ordinary freight, taxes and customs dues;

Plus

c. Recovery costs: the costs and expenses reasonably and necessarily incurred to recover the damaged Plant and Machinery on the site of the event and to remove it to the repair premises and back to the site of the event, limited to 25% (twenty five percent) of the Sum Insured of the damaged insured item up to a maximum amount of R250,000 any one loss. This limit of indemnity shall apply separately to each item affected by the damage;

Plus

d. Extensions: the costs and expenses reasonably and necessarily incurred in connection with the operation of the applicable extensions;

Less

e. Salvage: the value of any remains or as otherwise agreed with the Company;

Less

f. First amount payable: the first amount payable by the Insured,

provided that for Plant and Machinery insured on a Declared Value basis, if the Insured is unable to provide a valid **Valuation document**, unless otherwise agreed to by the Company, the maximum indemnity the Company shall pay is the **Market Value** but not exceeding 40% (forty percent) of the Sum Insured as stated against an item in the Schedule.

2. Total loss

The insured Plant and Machinery item shall be regarded as totally destroyed if the Repair costs including Labour, freight and customs as defined under 1. Partial loss, equals or exceeds the following value:

80% (eighty percent) of the Sum Insured of the insured item as stated in the Schedule, or as otherwise agreed to by the Company.

Subject to the terms, conditions, extensions, exclusions, memoranda and provisions contained in the Policy or endorsed thereon and to the extent agreed to by the Company, the basis of indemnification and the amount payable under Total Loss shall be the sum of:

a. **Market Value**

the local South African Market Value of the lost or destroyed insured Plant and Machinery immediately before the loss or damage took place which shall be no more than the cost of replacing or reinstating on the same site of Plant and Machinery of equal performance, application, capacity, age and hours used but not superior to or more extensive than the insured Plant and Machinery insofar as is practicable, provided that the liability of the Company shall not exceed the Sum Insured stated in the Schedule.

Or

b. **New Replacement Value** (for items insured under Section I only and if stated against an item in the Schedule)

the New Replacement Value (NRV), as stated in the Schedule as the Sum Insured and Basis of Sum Insured, **provided that** the item is bought new first by the Insured since original manufacture and not older than 12 (twelve) months from first registration as determined at the time of loss or damage,

i. of the lost or destroyed insured Plant and Machinery, which shall be no more than the cost of replacing or reinstating on the same location new Plant and Machinery of equal performance capacity but not superior to or more extensive than the insured Plant and Machinery at the time of loss or damage insofar as is practicable;

Or

ii. in the event that insured Plant and Machinery with a measurable function capacity or output has been lost or damaged by a defined event and it is not possible to replace or reinstate such insured Plant and Machinery in terms of (b)(i) above, then the Company will pay the cost of replacing such insured Plant and Machinery with similar new Plant and Machinery of similar quality, capacity, function or output which is as near as possible to that of the original insured Plant and Machinery.

The default basis of indemnification for pre-owned Plant and Machinery; and Plant and Machinery older than 12 (twelve) months from first registration as determined at the time of loss or damage, is **Market Value** immediately before the loss or damage.

The liability of the Company shall not exceed the Sum Insured stated in the Schedule.

Or

c. **Declared Value** (for items insured under Section I only and if stated against an item in the Schedule)

the Declared Value, as stated in the Schedule as the Sum Insured and the Basis of Sum Insured, **provided** such Declared Value is supplemented with a valid **Valuation document**.

If the Insured is unable to provide a valid **Valuation document**, unless otherwise agreed to by the Company, the maximum indemnity the Company shall pay, for the lost or destroyed insured Plant and Machinery shall be no more than the cost of replacing or reinstating on the same site Plant and Machinery of equal performance, application, capacity, age and condition but not superior to or more extensive than the lost or damaged Plant and Machinery immediately before the loss or damage took place insofar as is practicable, is the **Market Value** but not exceeding 40% (forty percent) of the Sum Insured as stated in the Schedule.

The liability of the Company shall not exceed the Sum Insured stated in the Schedule.

Plus

d. Recovery costs: the costs and expenses reasonably and necessarily incurred to recover the damaged Plant and Machinery on the site of the event and/or to remove it, limited to 25% (twenty five percent) of the Sum Insured of the insured item up to a maximum amount of R250,000 any one loss. This limit of indemnity shall apply separately to each item affected by the damage.

Plus

e. Extensions: the costs and expenses reasonably and necessarily incurred in connection with the operation of the applicable extensions.

Less

f. Salvage: the value of any remains or as otherwise agreed with the Company.

Less

g. First amount payable: the first amount payable by the Insured.

Interest of others

If, to the knowledge of the Company, the Plant and Machinery is the subject of a suspensive sale or similar agreement, in the event of a total loss, payment under this Policy shall be made to the owner described therein, whose receipt shall be a full and final discharge to the Company in respect of such total loss or damage.

Section II: Hired-in Plant and Machinery (if stated in the Schedule)

Defined Events

The Insurance by this Section is in respect of the Insured's **legal liability** under the terms of the **Hiring Agreement** entered into to pay:

Section II (A): Material Damage Only (if stated in the Schedule)

Compensation for loss or damage to Plant and Machinery hired-in but always subject to the limits, terms, conditions, extensions, memoranda, exclusions and provisions of the Policy.

Extensions to Section II (A)

Currency fluctuation extension

If owing to Currency Fluctuation between the South African domestic currency and the currency of the country of manufacture of the insured item, the value of the insured item has increased after the inception of the Policy period and within the three month period immediately before the time of a total loss event of the insured item, then the Sum Insured of the insured item may be recalculated provided that such increased Sum Insured shall not exceed the Sum Insured plus 20% (twenty percent).

Temporary repairs extension

If without the consent of the Company temporary repairs are carried out by the Insured in the interests of safety or to minimise further loss or damage to the insured Plant and Machinery the cost of such temporary repairs will be borne by the Company. In the event that the temporary repairs aggravate the loss or cause additional loss or damage to the insured Plant and Machinery any additional costs so incurred or consequences arising therefrom will be for the account of the Insured.

Exclusions to Section II (A)

The exclusions for Section II (A) shall be as stated under Section I.

Basis of loss settlement to Section II (A)

The basis of loss settlement for Section II (A) shall be as stated under Section I.

Section II (B): Continuing Hire Charges (if stated in the Schedule)

Continuing Hire Charges following loss or damage to the Plant and Machinery hired-in indemnifiable under Section II (A) but always subject to the limits, terms, conditions, extensions, memoranda, exclusions and provisions of the Policy.

Basis of loss settlement to Section II (B)

Consequent upon indemnifiable loss or damage (but for the application of the excess) being admitted under Section II (A) of the Policy, the amount payable is limited to the Insured's liability in terms of the **Hiring Agreement** to pay continuing hire charges for the period commencing after the number of days specified in the Schedule as the Time Excess and ending not later than the period specified in the Schedule as the Indemnity Period. Payment under this Section of the Policy will be paid out proportionately over the period of the loss in the ratio that the Sum Insured bears to the Indemnity Period. The Sum Insured stated in the Schedule will be regarded as a per annum limit of indemnity.

In addition to Section II (A) and (B) the Company will where legal proceedings have been defended with the Company's written consent pay all legal expenses that the Insured may be liable for.

Section III: Liability to Third Parties (if stated against an item in the Schedule)

Defined Events

Damages of which the Insured shall become legally liable to pay all sums including claimant's costs and expenses in respect of accidental death of or bodily injury to persons or damage to property consequent upon any occurrence arising at or about the Insured's premises, any contract site or movement between the Insured's premises or contract site within the Territorial limits during the period of insurance, caused by or through or in connection with any Plant and Machinery insured in terms of Section I or II (A); or as more specifically described in the Schedule, or in connection with the loading and/unloading of such Plant and Machinery,

provided that the liability to the Company under this Section III is limited to the territorial limits of the Republic of South Africa.

Limit of indemnity

The amount payable, inclusive of any legal costs recoverable from the Insured by a claimant or any number of claimants and all other costs and expenses incurred with the Company's consent for any one occurrence shall not exceed the limit of indemnity stated in the Schedule.

Extensions

The Company will also, in terms of and subject to the limitations of and for the purposes of this Section:

1. pay all costs and expenses incurred with their written consent, and shall be entitled at their discretion to arrange for representation at any inquest or inquiry in respect of any death which may be the subject of indemnity under this Section III, or for defending in any Magistrate's or High Court any criminal proceedings in respect of any act causing or relating to any event which may be the subject of indemnity under this Section III, provided that the total of the Company's liability under both this extension and Section III shall not exceed the limit of indemnity stated to apply to Section III.
2. indemnify any person who is driving, operating or using such Plant and Machinery on the Insured's order or with the Insured's permission provided that such person
    a. shall, as though he were the Insured, observe, fulfill and be subject to the terms, conditions, exclusions and provisions of this insurance in so far as they can apply.
    b. driving such vehicle has not been refused any motor insurance or continuance thereof by any Insurer.
    c. shall not be indemnified in respect of claims made by any member of the same household as such person.
    d. is not entitled to indemnity under any other Policy except in respect of any amount not recoverable thereunder.
3. indemnify the Insured in respect of liability arising from the towing by Plant and Machinery insured under this Policy (other than for reward) of any other Plant and Machinery (including liability in connection with the towed Plant and Machinery), provided the Company shall not be liable for damage to the towed Plant and Machinery or to property therein or thereon.

Additional insured extension

The Company will also, as though a separate policy had been issued to each, indemnify

1. in the event of death of the Insured, any personal representative of the Insured in respect of liability incurred by the Insured.
2. any partner, or director or employee of the Insured (if the Insured so requests) against any claim for which the Insured is entitled to indemnity under this insurance.
3. to the extent required by the conditions of any contract (and notwithstanding Exclusion 7 to Section III) any employer named in any contract entered into by the Insured for the purpose of the business.

4. for the purposes of the Additional insured extension, the Company waives all rights of subrogation or action which they may have or require against any of the above, and each party whom the indemnity hereunder applies shall observe, fulfil and be subject to the terms, conditions, exclusions and provisions (both general and section specific) of this insurance in so far as they can apply.

Cross liabilities

Where more than one insured is named in the Schedule, the Company will indemnify each Insured separately and not jointly, and any liability arising between such Insured's shall be treated as though separate policies had been issued to each, provided that the aggregate liability of the Company shall not exceed the limit of indemnity stated in the Schedule.

Employees' and visitors' property

Exclusion 4 (a) (ii) shall not apply to property belonging to any partner, director or employee of the Insured or any visitor to the Insured's premises.

Emergency medical expenses

The Company will indemnify the Insured for reasonable expenses incurred by the Insured for such immediate medical treatment as may be necessary at the time of an accident causing injury to any person who may be the subject of a claim for indemnity by the Insured in terms of this Section subject to a maximum amount of R50,000.

Exclusions to Section III

The Company will not indemnify the Insured under Section III in respect of:

1. First amount payable

The first amount payable in respect of any claim arising out of any one occurrence.

2. Employees

Liability consequent upon death of or bodily injury to any person employed by the Insured under a contract of service or apprenticeship and arising from and in the course of such employment by the Insured.

3. Members of the same household

Liability consequent upon death of or bodily injury to a member of the same household as the Insured.

4. Care, custody or control

Loss or damage to:

a. i. property belonging to the Insured;

ii. property in the care, custody or control of the Insured or any employee of the Insured.

b. any insured Plant and Machinery any Plant and Machinery hired in or Plant and Machinery hired out or to any Plant and Machinery borrowed or on loan and regardless of whether any such Plant and Machinery is in or under the care, custody or control of the Insured.

5. Seepage, pollution and contamination

a. Liability in respect of injury, damage or loss of use of property directly or indirectly caused by seepage, pollution or contamination, provided always that this exclusion shall not apply where such seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.

b. The cost of removing, nullifying or cleaning up seeping, polluting or contaminating substances unless the seepage, pollution or contamination is caused by a sudden, unintended and unforeseen occurrence.

c. This exclusion shall not extend the Policy to cover any liability which would not have been insured in this Policy in the absence of this exclusion.

6. Removal or weakening of support

Liability in respect of loss or damage or the cost of repair, reinstatement or replacement of any property caused by shock, vibration, the removal or weakening of support of such property, or injury to or death of any person occasioned by any such damage.

7. Legal liability arising from contract

Any claim arising from contractual liability, including penalties or liquidated damages unless such liability would have attached to the Insured notwithstanding such contractual agreement.

8. Compulsory motor vehicle insurance enactment

So much of any compensation or claim as falls within the scope of any compulsory motor vehicle insurance enactment. This exclusion shall apply notwithstanding that no insurance under such enactment is in force or has been effected.

9. Aircraft, petrochemical/chemical installations and explosives

Liability consequent upon injury or damage caused by or through or in connection with:

a. the ownership, possession, maintenance, operation, fueling or use of aircraft spacecraft, rockets, missiles or an airline.

b. the ownership, possession, maintenance, operation hire or leasing of any airport, airstrip, helicopter- or launching pad.

c. the ownership, possession, maintenance, operation, fueling or use of petrochemical or chemical installations or petrochemical or chemical tank farms.

d. the ownership, possession, maintenance, operation or use of explosives.

10. Airside

Any accident, injury, death, damage, cost, expense, loss (including consequential loss) or any liability of whatsoever nature while the insured Plant and Machinery is in or on that part of an Airside.

11. Goods on the hook

Loss or damage to goods on the hook unless otherwise agreed to by endorsement.

12. Fines and penalties

Fines, penalties, punitive, exemplary or vindictive damages.

13. Foreign judgements

a. Damages in respect of judgements delivered or obtained in the first instance otherwise than by a court of competent jurisdiction within the Republic of South Africa, Namibia, Botswana, Lesotho and Eswatini.

b. Costs and expenses of litigation recovered by any claimant from the Insured which are not incurred and recoverable in the area described in 13(a) above.

14. Cover provided under a Contractor's/Erection All Risks/Contract/Erection Works Public Liability Policy

Third party liability cover (except for any difference in excess) should there be in force a Contractor's/ Erection All Risks/Contract/Erection Works Public Liability Policy with a Cross liability clause covering the same performance of the work where the Plant and Machinery item is used.

Notice supplied in addition to the Statutory Notice supplied with this Policy

Insurance policies are legal contracts entered into between the Insurance Company (we/us) and the Insured (you/your). The Intermediary (broker) used by you, as your agent and in terms of the Financial Advisers and Intermediary Services Act (FAIS), is obliged to bring to your attention all aspects of the insurance policy that affect the coverage purchased, both the positive and negative aspects.

Definitions

To assist all concerned, and in particular you, we have produced/reproduced various definitions utilised by us that could affect you in your understanding of the cover provided by this Policy in the General Definitions Section of the Policy.

These definitions are not a comprehensive list of all those used in this Policy, but we believe that they are of such a nature that we should bring them to your specific attention.

There are other definitions used in this Policy but we are confident that the broker is fully aware of definitions used in the South African Business insurance market upon which this Policy has been based.

These definitions do not necessarily appear in this Policy in the same order as they are listed.

Should you require any additional information, or explanation, as to the application of these definitions, or any aspect of this Policy, it is recommended that you contact the broker that arranged this Policy on your behalf.

However, we are always available to assist you should the need arise.

Contact

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